The Bucket

By Editorial Staff *Wed, Sep 24, 2014*

Brief or late-breaking items from Deloitte, Voya, Lincoln Financial, Strategic Business Insights and Morningstar Inc.

Consulting leads overall Deloitte growth

In their fifth consecutive year of growth, the Deloitte member firms reported aggregate revenues this week of $34.2 billion for the fiscal year ending May 31, 2014. Growth stemmed from worldwide demand for the firm's services, according to a release. The organization's aggregate revenues grew 6.5% percent in local currency, or 5.7% in U.S. dollars.

Growth was led by the Consulting segment (10.3% growth in local currency), followed by Tax & Legal (7.7%). Financial Advisory and Enterprise Risk Services grew 6.8% and 4.2%, respectively. Audit experienced growth of 2.5% despite significant investment in quality around its audit service.

Voya wants to run insurance company money

Voya Investment Management, the asset management business of Voya Financial, Inc. (NYSE: VOYA), said it is "expanding its efforts and investment offerings to meet the long-term investment needs of insurance companies."

Voya Investment Management (IM) intends to provide insurers with "guidance on private placements, commercial real estate, structured credit, bank loans, high-yield debt, private and public equity, and several other asset classes," according to a Voya release.

Voya also announced that John D. Simone, CFA, has joined Voya IM in the new role of head of insurance investment management sales and solutions. Simone comes to Voya IM from J.P. Morgan Asset Management, where he was most recently executive director, global insurance solutions. He will report to Bas NieuweWeme, head of institutional distribution for Voya IM.

"The challenges of the low interest rate environment have created an opening for us to help insurers identify opportunities for yield beyond high-grade public bonds, which have traditionally made up a significant portion of general account portfolios," said NieuweWeme.

Simone holds the Chartered Financial Analyst designation as well as Series 3, 7, 63 and 24 licenses from FINRA. He earned an MBA from Fordham and a bachelor's degree in economics from Rutgers.

Leckey joins Lincoln as distribution strategist

Kathy Leckey has joined Lincoln Financial Distributors, the wholesale distribution business of Lincoln Financial Group, as vice president and head of Strategy for its Retirement Solutions Distribution business.

Leckey will direct business development, advanced sales strategies and strategic planning for Retirement Solutions Distribution, which includes the annuities and small-market retirement plan services businesses, according to a release.

Previously, Leckey served as senior vice president for business development at Realty Capital Securities, LLC. She previously held positions at Metlife Investors, AXA Distributors, and Hartford Financial Distributors (formerly PLANCO).

Leckey holds a master of business administration degree from St. Joseph's University and a bachelor of science degree in business administration from LaSalle University.

The divorce rate for older couples has gone up

Divorce and separation divide accumulated assets, often resulting in two households unable to retire comfortably. Unfortunately, the divorce rate for couples nearing retirement has been going up, according to the MacroMonitor Market Trends Newsletter, a publication of the Consumer Financial Decisions group of Strategic Business Insights.

According to the newsletter:

"In the 1980s, the nationwide focus changed from 'us' to 'me.' 'Greed is good' (Gordon Gekko in the film *Wall Street*) became an acceptable mantra, conspicuous consumption became a national pastime, and US divorce rates peaked at 23 per 1000 married women (according to the National Center for Family & Marriage Research at Bowling Green State University, using *American Community Survey* data).

MacroMonitor data following that decade indicate the incidence of divorced or separated household heads was flat (between 1992 and 2012—15% and 16%, respectively). Although the data show that the divorce rate has declined from 17% in 2000 to 13% in 2008, the rates for household heads younger than [age 50] and for household heads older than age 50 diverged. Since 2008, the incidence of divorce for household heads age 50 and older has risen from 15% to 22%.

The decline in divorce rates for household heads younger than age 50 may be attributable to the fact that the average age when men and women marry has increased in the past several decades; family formation occurs later now than previously. In 2011, the average age for men to marry was 29 and for women, 27, in comparison with age 23 for men and age 21 for women in 1970, according to the US Census Bureau; 42% of women younger than age 20 were married in 1970.

"The increase in divorce for households older than age 50 is especially troubling, because the event occurs during peak earning years—a time when households need to focus on retirement seriously," the report said.

"Newly single-headed households present financial-services providers with a potential opportunity to meet new and different financial needs. For example, the majority of current retirement products by design provide for dual-headed households. Separation and divorce do not mean that responsibilities for others—parents, peers, or children—have disappeared."

Morningstar leases office space in lower Manhattan

Morningstar, the independent investment research provider, has signed a 10-year, 30,000 square foot lease at 4 World Trade Center in Manhattan. The company expects to move to the 48th floor of 4 World Trade Center in mid-2015, Silverstein Properties announced this week.

Lease negotiations for Morningstar were handled by a CBRE team headed by Michael Liss. Jeremy Moss, Director of World Trade Center Leasing for Silverstein Properties, led the negotiations for the landlord, together with the CBRE agency team including Steve Siegel, Mary Ann Tighe, Adam Foster, Steve Eynon, Evan Haskell,Ken Meyerson and David Caperna.

According to the Downtown Alliance, 511 firms have moved to Lower Manhattan since 2005, leasing a total of 12.3 million sq.ft. (1.14 million sq.m). Over 225 of those companies have been in creative or professional services, taking 51% of the space leased.