

2015 New Year Tips for Retirement Plan Providers.

Stuff that could help.

With a new year, comes a renewed focus on business now that the holidays are behind us. For the retirement plan provider, there is never enough time to rest on their laurels because of the competitive nature of the business. So with a few minutes to spare, here is an article that will offer suggestions on how you can improve and grow your business from someone who knows how competitive the retirement plan business really is.



To read the article, please click [here](#).

Give your clients their own "football".

It maybe a good marketing tool.



When I was in college and law school, I had this fancy leather bound DayRunner that had all my contacts, business cards, and notes. For 1992-1998, it was state of the art because I didn't have the shekels for a Palm Pilot. I called the DayRunner, the "football" in recognition of the "nuclear football" attaché case that stores all of our nuclear launch codes. I'm sure somewhere in my head, I thought the name and number of the recruiting coordinator at the Irvine, CA office of Ernst & Young was as important as a launch code, it wasn't.

To differentiate yourself as a plan provider, it maybe wise to give clients their own "football". Their football wouldn't have codes, but the important stuff that all plan sponsors need. That would be copies of the plan documents, the investment policy statement, fund menu, minutes from fiduciary meetings, materials that were handed out at enrollment meetings, or some other things that you may deem

worthy. These days, it doesn't even have to be in a fancy binder because a USB flash memory key can do the trick.

It maybe a gimmick, but it's a good gimmick. It allows yourself to differentiate yourself from the competition, and a little gift to a client goes a long way. I knew of an advisor who did this many years ago, probably to justify the 75 basis points he was charging at the time. Regardless of what you charge, I think it's an effective tool.

They aren't laughing anymore.

It's a different retirement plan industry

Maybe it's an insecurity of mine, but I always felt and still do that there are many times that I haven't been taken seriously. There were family situations and professional situations where that came to be and it wasn't a good outcome for those that didn't take me seriously.



I have been an ERISA attorney since 1998 when the stock market was booming and that meant that daily valued 401(k) plans were part of that boom. Even when I started out, I was alarmed about revenue sharing because it just didn't seem right to me that some funds paid them and some didn't and those that paid revenue sharing to the plan administrator had a better shot to be picked. Plans that just offered index funds were few and far between because they were considered as being more expensive to run because of the lack of revenue sharing payments. I was also amazed that while a plan sponsor had the fiduciary duty to pay only reasonable plan expenses, they had no way of knowing how much their plan providers were charging them unless the plan provider was transparent and prior to 2008, that was few and far between.

When I first heard about litigation concerning revenue sharing, it was a lawsuit against Nationwide Insurance in 2000 and in those days, plan sponsors were the usual victors. Then times changed and court started recognizing participant rights and made it easier for them to sue. With a falling stock market in the early 2000s and the late 2000s, there was an increased call for free disclosure because litigation against plan sponsors were increasing.

About 8 years ago, I was starting to be openly critical about revenue sharing and TPAs being less than transparent. Well, there were a lot of people I knew who laughed at me and that included co-workers at the time. Well, they aren't laughing anymore. Fee disclosure regulations, more litigation, and more competitive fee pricing have changed the 401(k) plan business for the better. The point is that change is inevitable and that was fee disclosure was inevitable because of a spotlight shown on 401(k) plans because of the poor savings and investment returns went the stock market went through two major corrections in the past 14 years. There is no business that is stagnant except maybe those in the funeral business and any ideas of change shouldn't be scoffed at or dismissed.

Happy Clients Don't Leave.

But unhappy ones do.



Maybe it's a simplistic approach when it comes to things, but I kind of see things the way they are in very simplistic approaches.

When it comes to employees working for a client, I always say that happy employees never leave. When it comes to clients of a retirement plan provider, I also say that happy clients never leave.

There was so much concern with fee disclosure regulations that retirement plan clients would drop their current providers to save a quarter or a small amount of money across the street and I don't believe that has really materialized because fees have fallen industry wide and again, happy clients never leave. Clients that changed providers and saved a lot of money in doing, in my opinion, were never happy to begin with and just used that fee savings as cover.

Maybe I'm oversimplifying things, but keeping clients happy goes a long way in keeping them as clients.

401kwire's Top 100 Most Influential in 401(k): #100.

Thanks to all of you, still on the list.

I am proud to have been named of the Top 100 Most Influential in Defined Contribution/401(k) by 401(k)wire.com for the second year in a row. While I dropped from #73 to #100, you get no extra money for finishing higher. Actually you don't get an award either.



Like I stated last year, it's a win for the underdog because I was the associate who had a managing attorney who didn't believe in me and I was the ERISA attorney that the head of a third party administrator (TPA) laughed at when I suggested I could help sell (actually there was more than one head of a TPA to do that, boss and prospective bosses).

The only reason I'm on the list because of you, the reader. No matter how good a read my articles and blog posts maybe or how many references to Caddyshack and Airplane! I could provide, I am only successful because I made a connection to you, the audience and for that, I am forever grateful.

I only wish my friend Richard Laurita was here to see this. Many of you know of Rich or know my stories of Rich, but he was the TPA salesman that I worked with at two TPA firms and he was the only person who saw something in me when no one else did and I would not have had the confidence to start my own law practice if he didn't make under his wing so long ago. He's gone almost 8 years and as long as I'm in the retirement plan business, he will not be forgotten. Wherever you are Rich, I hope you are enjoying the golf.

Again, thank you for the recognition and continued readership.

Comedy Show, Saturday, February 7th.

Sal "The Stockbroker" Governable from The Howard Stern Show. .

For those in the Long Island/NYC area, I hope you can join me for a great night of comedy on Saturday night, February 7, 2015 at 7:30 pm with Sal "The Stockbroker" Governale who his well known for his comedy bits and phony phone calls on The Howard Stern Show, as well as his own YouTube cooking show "Big Meals, Small Places". This event that I am running is for the benefit of my synagogue, Congregation B'nai Sholom-Beth David in Rockville Centre.

Tickets are \$40 per person. There will be raffles including a 50/50 raffle.

Satellite Radio Personality & Celebrity Chef from Big Meals, Small Places.

Comedy Night, One Night Only!

SAL "THE STOCKBROKER" GOVERNALE

and Friends

Saturday, February 7, 2015, 7:30pm

Tickets:

\$40

Free Babysitting, Free Beer and Wine.
Great Raffles.

Congregation B'nai Sholom
Beth David



100 Hempstead Avenue
Rockville Centre, NY 11570
bnaisholom.com

516-764-4100



Free babysitting available. Free Beer, Wine, Soda and Snacks.

If you would like to sponsor the event or donate something for the raffle, please see the attached sponsorship form.

To sponsor or order tickets online click [here](#).

I appreciate any help in what I think will be a great even

Comedy Night, One Night Only!

Satellite Radio Personality & Celebrity Chef from Big Meals, Small Places.

SAL "THE STOCKBROKER" GOVERNALE

AND FRIENDS

Saturday, February 7, 2015, 7:30pm

Congregation B'nai Sholom Beth David
100 Hempstead Avenue
Rockville Centre, NY 11570



Admission: \$40 (per person)
Includes Free Beer and Wine, Free babysitting Plus... lots of Raffles and Great Prizes.

NAME: _____ Phone Number: _____
EMAIL ADDRESS: _____
of people attending _____ x \$40 = _____

Sponsorships Available:

<input type="checkbox"/> Event Sponsor (includes admission for 8 people)	\$2,000
<input type="checkbox"/> Refreshment Sponsor (includes admission for 4 people)	\$1,000
<input type="checkbox"/> Bar Sponsor (includes admission for 4 people)	\$1,000
<input type="checkbox"/> Business Card Sponsor for Program	\$150

I would like to donate the following prizes for the raffle: _____

For more information, contact the Temple office at 764-4100 or email Don at don@bnaisholom.org or visit our website www.bnaisholom.com

Please return this form and your check made out to Congregation B'nai Sholom-Beth David to the Temple office by February 1st.

To pay by credit card, please visit our website or call the office.

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