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As Retirement Plan Provider, Think Differently

It's odd, but I do get some great ideas from professional wrestling in my business approach as an ERISA attorney/retirement plan provider. Like in pro wrestling, becoming a retirement plan provider who is successful is all about getting "over" and there are plenty of gimmicks you can use that very few other plan providers are doing. So this article is all about what you can do as a retirement plan provider that most of your competition isn't.

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It's not your Job to understand

As someone in the non-fungible token world (3 Guys NFT), I don't understand why people will spend thousands and thousands of dollars on virtual trading cards or digital moments instead of something in physical form. But I'm a kid from Brooklyn, born in the 70s who started collecting baseball cards in 1979. It is not for me to understand why people will buy lots of money for digital items, but people are doing it and I want to take advantage of it.

Same with new ideas and situations in the retirement plan business, I would always from industry leaders who would scoff at new trends in the industry such as ERISA fiduciary services. How many third-party administrators do I know who jokes about ERISA 3(16) administration and had zero interest in offering it, that are now offering it?

We are all shaped by our experiences and the times we grew up in, but we should never let that be a chain that forces us to thumb our nose and trends in the industry that will leave us behind if we're stubborn to change.



Control can mean everything



As a retirement plan provider, you meet a potential client and you just do so well in the meeting that you think there should be no way that you're going to lose this prospect. Yet you get the call that a competing provider got the job and you're just shocked that you lost to that person.

Sometimes you lose because of all the decision-makers you talk to, it might be one decision-maker that felt the need they had to exercise control. They weren't concerned with picking the best provider for the plan

sponsor, they were just interested in flexing their muscle and picking whom they wanted to pick.

When I hear about a plan provider flabbergasted that they weren't selected in a process they thought they won, I always relate a story where I say I was the most insulted in the 22 years of being an ERISA attorney and it shows you the essence of someone wanting to be in control.

I've told a story quite a few times and including it in that Kindle book a few dozen of you bought. I was working at that semi-prestigious law firm as an associate and I was asked by the human resources director to look at our 401(k) plan.

Our 401(k) plan despite having an ERISA practice had one of the worst plans I've seen. The human resources director was a plan trustee and decision-maker except it didn't appear she decided in 10 years because the plan had no financial advisor, no investment policy statement, no review of fees, no education to plan participants, and no change of investments for 10 years.

I told her the first thing she should do is find a new financial advisor. With my many contacts in the business, I gave her a list of 2-3 advisors to contact. Of course, she hired the advisor that a bundled provider representative in the area (who I recommended the human resources director speak to) recommended. The human resources director and the new financial advisor told me up and down that they were happy with the current third-party administrator (TPA) and I was fine with that. The Fidelity representative was there when needed, I thought. Anyway, the human resources director finally discovered the plan had revenue sharing and flipped out. So without consulting me or contacting me, they went through a process to replace the TPA with the advisor making recommendations. Well, they selected a bundled insurance company

provider as a TPA and it certainly wasn't Fidelity despite the representative's help in getting the advisor that gig.

I was offended because I thought being the in-house 401(k) expert, I should have been consulted because I believe you should always get an insight from the expert.

I got the last laugh many years ago when another trustee from the law firm called me years after I left, asking to help the plan go through a huge error caused by that insurance company TPA. I was all ready to go in and help fix the mess of that 401(k) plan again until the human resources director (after having been lambasted over this for the last 11 years by me) put an end to it. Again, sometimes it's all about someone wanting to exercise control whether they are the right person to have control and regardless of whether they make the right choice or not.

It just takes one time to scare them away.

When it comes to COVID, I had one major phobia and that was getting my hair cut. My ENT doctor understood my fear, too close of proximity and for a prolonged time. I also didn't like how my hair looked when I cut my own. So I waited until two weeks after my second vaccine shot. I decided to venture out to the barbershop I've been using for the last few years.



I walk into the barbershop and the owner isn't there, but the other barber was, working on someone. The only problem was the barber wasn't wearing a mask. Despite being vaccinated, it's not something I'd be willing to accept, and I walked out. I will never come back. Regardless of your views about COVID, it's unacceptable to me.

With clients, all it takes is to do something wrong one time to scare them away for good. While everyone should get a second chance, I didn't give my barber a second chance, and many clients won't give you a second chance if things go south. That's why it's important to never scare away for any point or reason.

Where the PEP makes most sense

We still have a retirement crisis in this country as people don't have enough retirement savings and so many people don't have access to a retirement plan at work. The Georgetown University Center for Retirement Initiatives estimates there are 57 million private-sector workers which represent 46% of the population working in the private sector, that don't have access to a retirement plan at their workplace.

This is the market for pooled employer plans (PEPs), companies with zero retirement plans that may want one if they don't have to



deal with the fiduciary headaches by joining a PEP. While some existing plans may join a PEP, I think the bulk of the adopting employers that join a PEP are going to be employers that don't have a plan in place or are in one of those states that will require to either offer one or a State IRA program.



Come out and Network. Networking event and Mets Game, Wednesday July 28th

Come join us for a great night of networking and a Mets game too. While the networking event has 401(k) in it, it is open to professionals from all types of businesses.

The event is on. Wednesday, July 28th while the Mets take on the Atlanta Braves. Seats in the Honda Club behind the right field fence and foos too, for just \$150.

For more information and to buy tickets by PayPal, please click [here](#).



Registration open for live events.

We have finally rescheduled our
2020 events for 2021.

Our St. Louis event is scheduled for Friday, September 10th with a Cardinals game that night. To sign up, please click [here](#).

Our Minneapolis event has been rescheduled for Friday, September 24th with a Twins game that night. To sign up, please click [here](#).

Our Houston event has been scheduled for Wednesday, September 29th with a game that night. For more information and to sign up, please click [here](#).

For more information on sponsorship, please contact [me](#).

Also, come join us for a great night of networking and a Mets game too. While the networking event has 401(k) in it, it is open to professionals from all types of businesses.

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We will do it again virtually in 2022.

That 401(k) National Virtual Conference this January was such a hit, we will do it again for 2022. It's far easier to have dozens and dozens of advisors to show up for an event virtually, instead of asking them to take 4 days out of their life and thousands of dollars to attend an event elsewhere.

That 401(k) Virtual Conference will be Thursday-Friday, January 27-28, 2022.

This virtual event will have it all: great presentations to help grow your 401(k) business and a couple of celebrity guests.

Attending the event for two days will start with start at an early bird fee of \$20.22. That price will increase by 50% in the Fall.

To sign up for the event or get more information, click [here](#).

For information on sponsoring the event, click [here](#).

To see some my interview with Walt Frazier from the past Conference, click [here](#).

To see some of my interview with Dwight Gooden from the past Conference,
click [here](#).

For a video of Day 1 from the 2021 conference, click [here](#).

For a video of Day 2 from the 2021 conference, click [here](#).

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