



**Smart Plan
Design and
Personal
Communications
Help Turn
Around Failing
Retirement Plan
on the Verge of
Termination**



The Situation

For one small business owner in Massachusetts, things had gotten so bad with his company's retirement plan that the only viable option in his mind was terminating it. In late-2014, with that end goal in mind, the owner set up a meeting with the Alpha Pension Group. Senior Retirement Plan Advisor, Jared Manville explains how the owner wanted to discuss any options including getting rid of the plan.

During that initial meeting, the team at Alpha Pension listened as the owner talked about a miserable 28% participation rate, failed discrimination tests, and endless paperwork and headaches that took valuable time away from running his business.

"Our Team knew terminating the plan was not the best option, but we also knew that it would take more than our word to convince this owner to keep the plan," Manville explained. "With this in mind, our team asked if we could put together a new plan strategy that would turn his struggling 401(k) into a successful 401(k)."

The Alpha Pension Group's proposal ultimately convinced the owner to change his mind and today the plan is a shining example of how smart plan design and personal communications can deliver big results.

The Solution

At the heart of the Alpha Pension Group's strategy was a complete review of the current program. "As with all of our clients, we wanted to see firsthand where and—maybe more importantly—why the plan was failing," Manville explains.

As the Alpha Pension Team dug into the details, they uncovered high employee turnover rates and a complete disconnect from the plan by the millennial employees. "To be honest, our team expected the issue with turnover but were a bit surprised that the millennials weren't taking advantage of the benefit," Manville says.

An even deeper dive revealed that many of the employees knew very little about the plan because they were never told about the plan. "The previous provider hadn't spent any time communicating the benefits of the plan or visiting onsite to meet with the employees," Manville says.

With the employee disconnect in mind, Alpha Pension Group—through its education series called "Brown Bag University"—met with participants to discuss topics such as the benefits of plan participation, asset allocation, and pursuing retirement goals.

"Alpha Pension Group's educational approach utilizes third-party custom allocation models, a written education curriculum, education meetings, and a matrix for us to review with our clients," Manville explains. "We're proud that all of our clients—regardless of size—receive the same level of attention. Our passion at Alpha is educating our clients' employees."

The Results

Not surprisingly, the company owner is thrilled with the “new” plan. And what’s not to like?

Since the Alpha Pension Group took over, the organization has passed discrimination testing, seen an uptick in participation and contributions, and used the plan as an incentive to bring on and retain talent.

Specifically, participation has increased from 28% to 80% over the years. Plan assets and, more importantly, plan deferral amounts have also increased dramatically. Manville expects the results to be even better in the future when the plan institutes automatic enrollment.

About the Alpha Pension Group

Alpha Pension Group (Lexington, MA) is an independent pension consulting firm that works with clients to improve the impact of company-sponsored retirement plans and strengthen the financial future of their employees. Alpha Pension Group provides plan-level supervision that includes investment policy statements, employee education and management of the fiduciary aspects of your retirement program. Alpha’s team of five advisors and 10 staff members works closely with clients to focus on the three fundamental areas of prudent plan management: investment advisory services, participant education services and plan management services.



ADVERTISEMENT: This communication is an advertisement of the Retirement Advisor Council featuring Alpha Pension Group’s services. Past performance is not an indication of future results. Alpha Pension Group cannot guarantee the success of any plan and there can be no assurance that the results achieved by any Alpha plan client will be achieved by other Alpha clients. Actual results will depend on, among other things, the investment decisions made by the plan sponsor in addition to general economic and market conditions. Information included herein does not constitute advice and should not be viewed as a recommendation to adopt any particular strategy.

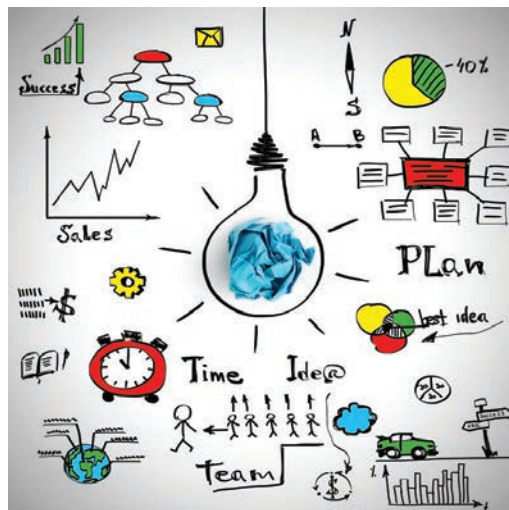
**... participation
has increased
from 28% to
80% over the
years.**

About the Retirement Advisor Council

The Council advocates for successful qualified plan and participant retirement outcomes through the collaborative efforts of experienced, qualified Retirement Plan Advisors, investment firms and asset managers, and defined contribution plan service providers. The Council accomplishes this mission by its focus on:

- Identifying duties, responsibilities and attributes of the Professional Retirement Plan Advisor
- Sharing our professional standards with plan sponsors
- Providing collective thought capital to decision makers, product providers, legislators and the public
- Giving voice to the Retirement Plan Advisor community
- Providing tools to evaluate Advisors, helpful in promoting successful retirement outcomes.

The Council does not provide legal or tax advice, nor does it function as a retirement plan advisor. The decision to hire a retirement plan advisor is entirely at the discretion of a plan sponsor.



EACH
enterprise

61 Rainbow Road
East Granby, CT 06026

www.retirementadvisor.us