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The Retirement Times

RISEN SON FINANCIAL
Your Retirement Plan Partners

3 Tactics to Combat the Great Resignation

During the pandemic, workers quit their jobs in record numbers across theU.S. According to the Bureau of Labor Statistics (BLS), four million employees (2.7%) resigned their positions in April 2021, the largest number ever recorded since the BLS began tracking the metric in 2000. This mass exodus has been dubbed “the great resignation,” and it continues to rattle employers (3.9 million voluntary separations were logged in June). High turnover and loss of talent can seriously undermine an organization’s productivity and profitability. But there are strategies you can use to help stem the tide.

1. **Consider remote, distributed and hybrid workforce solutions.** There’s a saying, “you can’t un-ring the bell.” Many employees who had a taste of remote work during the pandemic have come to prefer it and are rethinking their ideal employment situation. Finding flexible arrangements to accommodate these workers may prevent them from jumping ship at the first opportunity. Not all positions lend themselves to this option, however, so it’s also important that on-site workers don’t feel overlooked. Consider offering this group additional perks such as flex work or casual Fridays.

2. **Support financial wellness.** Many employees have suffered from heightened emotional and psychological stress during the pandemic. Fear and anxiety about the health of family members, challenges helping kids with remote learning, social isolation and financial pressures have hit families hard. While COVID-19 continues to exert an outsized influence on many aspects of life, one area where plan sponsors can make a significant and meaningful difference is by supporting financial wellness. WellCents offers a flexible, tailored and integrated approach that meets participants where they’re at — offering both online and in-person support. You’ll also be in a better position to attract potential new hires with qualifications that meet your organization’s needs by providing this valuable benefit.

3. **Proactively assess (and boost) morale.** Use performance reviews as an opportunity to gauge employee job satisfaction. Look for ways to support professional development by offering training and educational opportunities and encouraging appropriate lateral moves when possible. Don’t wait until you have to make a counteroffer to retain a valued worker. Find ways to show your appreciation to individuals and departments with special lunches or dinners — and public recognition of contributions and achievements. Encourage upstream communication about any frustrations or difficulties to head off potential defections. Also, don’t overlook the value of a 401(k) match in the eyes of your employees.

A tight job market fueled by low unemployment, record-high savings rates and soaring 401(k) balances suggests that the great resignation may continue into the future. This is not the time to adopt a wait-and-see approach when it comes to employee retention. Organizations that are nimble and well-positioned to provide flexible solutions to meet the changing wants and needs of their workforce are more likely to attract and retain top talent during this period of historic turnover.

Sources https://www.bls.gov/news.release/jolts.nr0.htm

Financial Wellness Gone Wrong

According to Forbes, a financial wellness program is the new "must-have" employee benefit. And it's not hard to argue that it's a must-have for plan sponsors too. After all, financial stress can hinder productivity and dampen employee morale, while financial wellness can help workers gain control of their financial lives and retire on time, saving companies money. But this is one area where less is definitely not more — and rubber stamp solutions can cause problems all their own. Here are four examples of financial wellness gone wrong.

1. **One-size-fits-all approaches.** Imagine going to a doctor who prescribed every patient the same medicine regardless of their symptoms or diagnosis. Cookie-cutter financial wellness programs make just about as much sense. And worse, unlike employees with no program at all, participants of poorly designed and implemented programs could end up overestimating their preparedness when important areas of financial wellness are neglected. Workers' financial needs and concerns can vary depending on many factors including age, gender, risk tolerance, life stage, educational level and socioeconomic status. And a sound financial wellness program must address these individual differences.

2. **Online-only (non)solutions.** Programs without in-person advisory support can leave some employees behind. Digital resources are necessary — but not sufficient — for a robust financial wellness offering. Without the option of face-to-face interaction, those not inclined or well-equipped to take advantage of online resources can be underserved. You want flexible options for both individual and group in-person interactions to enable more in-depth discussion of questions and concerns. Some employees need one-on- one assistance, and increasingly many are expressing the desire to avoid having to tackle retirement planning decisions alone.

3. **Limited scope and focus.** It can be easy for 401(k) service providers to emphasize programming around retirement plan contributions at the expense of a more integrative financial wellness approach, but they'd do so at the peril of participants and sponsors alike. When workers can't get a handle on debt, for example, it can be difficult for them to contribute enough to their 401(k) to retire on time. And if they haven't been educated about the necessity of an emergency fund, it's more likely they'll raid their retirement plan in the event of a crisis. The impact of delayed retirement on workforce costs, are well-documented, and SHRM reports that workers under high stress are more likely to take sick days and miss work. Financial wellness programming that fails to cover all the bases — from budgeting to credit and debt to investing and long-term care planning — can leave participants and organizations vulnerable.

4. **Insufficient performance metrics.** If you don't gauge progress, how can you (or your participants) tell if you're making any? The WellCents assessment tool provides a global financial wellness score as well as metrics across a wide spectrum of individual financial priorities. Repeat measures assess ongoing progress while offering participants specific and actionable advice to address their identified needs. And sponsors need their own metrics to evaluate progress: Compared to the average 1-2% utilization rate, WellCents boasts a 35%-75% utilization rate from employees.

WellCents is an integrative and customized end-to-end financial wellness solution that provides benchmarks for progress and actionable advice across a variety of platforms that's highly individualized to participants' needs. Sponsors simply can't afford to get financial wellness wrong. WellCents is the win-win solution you want — and your employees need.

Sources

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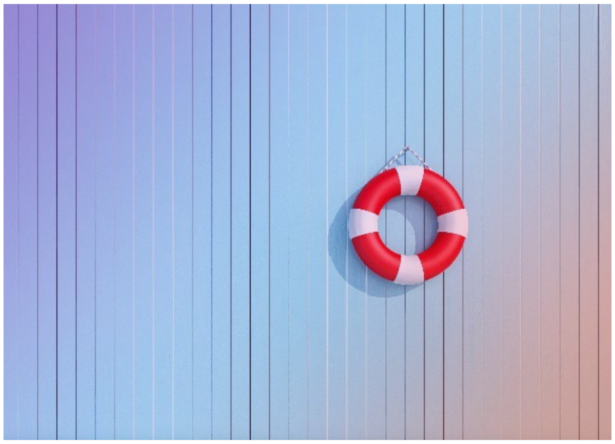
Emergency Savings



PAccording to a recent WSJ Article[1], more employers are adding **emergency** savings accounts to employee benefit programs, in an effort to attract and retain workers and help them better prepare for unexpected expenses.

In 2019, The Federal Reserve reported that 37% of adults lack the funds to cover a $400 emergency. Nearly a quarter of the 11,000 respondents to a November 2020 Federal Reserve survey said they were worse off financially than a year before.

Responding to demand from employers, workplace programs designed to help workers build emergency savings, often through payroll deductions, are becoming exceedingly popular.

Thrive Flexible Matching offers a truly innovative approach to employer sponsored emergency savings program where employees can allocate their retirement matching dollars to their Retirement or Emergency Savings Account (or Student Loans and/or 529 Accounts). One of the reasons that the Thrive is such a game changer is that it doesn't require adding to a company's benefits budget, it utilizes already- budgeted dollars and empowers Employees to use it where they need it the most.

Regulators have been trying to make it easier for employers to automatically enroll workers into emergency savings accounts, something the 2006 Pension Protection Act did in 401(k) accounts.

Sen. Cory Booker (D., N.J.) introduced a bill to make it easier for employers to auto-enroll workers in emergency-savings accounts. (Workers would be able to opt out.) and a bill sponsored by Sens. James Lankford (R., Okla.) and Michael Bennet (D., Co.) would allow workers one penalty-free annual withdrawal of up to $1,000 from a retirement account for emergency expenses. However, with experts suggesting 3-6 months' worth of expenses in emergency savings account, a $1,000 withdrawal most likely won't cover the entire expense.

Sources

1 The New Employer Benefit: Matching Emergency Savings Pandemic has highlighted need for employees to have money set aside for a rainy day,
By Updated Aug. 27, 2021 8:12 am ET (https://www.wsj.com/articles/the-new-employer-benefit-matching-emergency-savings-11630065600)

Participant Corner

Carving a Holiday Budget

The holidays are a time for giving, but often people can be a little overgenerous during this time of year and later find themselves in financial trouble. According to a survey by Country Financial 32 percent are feeling the greatest stress around holiday finances.[1]

Here are our top tips for saving money during the holiday season:

1. **Create a Holiday Budget**

   Monthly Income - Monthly Expenses = Your Holiday Budget

   Make a list of everyone you will buy for and how much you will spend on each person, then stick to it!

   Also, consider setting a gift budget for the entire year to better anticipate costs and save for additional holiday spending monthly. This will allow for smoother month-to-month budget tracking.

2. **Pay with Cash**

   When you pay with cash, you can get a better handle on how much you are spending. You are forced to stick to your budget because you can't spend cash you don't have!

3. **Pay with Gift Cards**

   There are websites and stores where you can purchase gift cards at a discounted price. Shop with them and you are automatically saving money. Shop for items on sale or at a discount store and save even more money!

For assistance with budgeting during the holidays or any time of year contact your financial professional, Kevin Donahue AIF®, CRPC® at kevin@risensonfinancial.com or call 813.512.2746.

1 https://www.countryfinancial.com/en/about-us/newsroom/waiting-for-a-holiday-miracle-santa-needs-to-leave-nearly-60k.html

RISEN SON FINANCIAL
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Our Mission

Risen Son Financial strives to help employers reduce the cost of their retirement plans and the liability of their responsibilities by naming ourselves as fiduciaries to the plan and participants. We believe this builds the foundation to help employees reach their ideal financial future, through one-on-one education, risk analysis, and financial planning.

Why Us?

Based in Land O' Lakes, Florida, Risen Son Financial serves as retirement plan partners and investment fiduciaries for large and small businesses across the nation. Fulfilling the duties of good faith and trust, clients choose us knowing we will go above and beyond. As an Independent Financial Advisor, Risen Son Financial represents clients to the marketplace without any bias or conflicts of interest. We're accountable to you and your best interests. Risen Son Financial serves as a named fiduciary for both the plan and participants. As your Plan Fiduciary, we evaluate plan design, mitigate risks, conduct reviews, and offer solutions helping to improve performance. As Participant Counselors, we also serve as fiduciaries providing customizable advice and resources for the participants.

Our Process

At Risen Son Financial, our first step is to review the current cost and value being received by the plan. We can do this by reviewing the 404(a)(5) (participant fees) and 408(b)(2) (plan fees) disclosures that plans are required to distribute and receive from vendors. If these are not readily available, we can also review fund lineups and statements.

We meticulously review the retirement plan, including these 4 costs:

1. **Recordkeepers** – Receive funds from the employer and employee paycheck. Their main responsibility is to keep record of the contributions a participant receives and investment gains. Additionally, recordkeepers do the buying and selling of investments that the participant chooses, while also providing a website and quarterly statements.
2. **Administrators** – Make sure the plan meets the requirements set forth in the IRS code. They handle, testing, compliance, vesting, eligibility, loans, and withdrawals. Many times, administrators are "bundled" with the recordkeeper.
3. **Investments** – Contributions are deposited into investments. They have their normal expense ratio; however, these often come loaded with internal fees like 12b-1, sub-TA, concession and wrap. This is called "indirect compensation" or "revenue sharing." Often, an investment company will pay the recordkeeper a fee to be included in the investment lineup.
4. **Advisors or Brokers** – There is a difference. As a named fiduciary to the plan and participants, Advisors give advice, recommendations, and/or have discretionary control of investments, along with being the quarterback of the plan. This includes benchmarking all fees paid to vendors and shopping plan costs to keep fees reasonable. Advisors are held to the best interest standard. In contrast, Brokers are held to the suitability standard. Brokers can't give advice nor can they name themselves as a fiduciary to the plan. Brokers sell a product as a representative of a larger entity.

Once all fees are known, we benchmark those fees and services being received to the open market. We then use this benchmarking to get the cost of the plan reduced. We accomplish this by either going to the current provider to have them reduce the cost or moving the plan to a platform that will, along with providing for the needs of the plan. Being completely independent we can work with all providers which allows us to provide bias-free advice.

About Kevin Donahue, CRPC®, AIF®

Kevin Donahue is the owner of Risen Son Financial. After serving four years in the United States Navy, he graduated from Florida State University in 2004 earning a bachelor's in Computer Science and a minor in Mathematics. Seeing firsthand, the impact of retirement saving and planning with his own parents, Kevin entered the financial services business to pursue his passion of helping clients meet and exceed their financial goals and visions. Kevin has passed and currently holds the Series 65 license along with obtaining Chartered Retirement Planning Counselor (CRPC) designation from the College for Financial Planning. This designation encompasses pre-and post-retirement needs, wealth management, estate planning, and the entire retirement planning process. Additionally, he holds the Accredited Investment Fiduciary (AIF), which empowers investment professionals with the fiduciary knowledge and tools they need to serve each client's best interests.

Kevin resides in Land O' Lakes, with his wife Brittany and their twin boys Andrew and Noah