

Tips for 401(k) Plan Providers (From Someone Who's Seen the Industry From the Inside Out)

By Ary Rosenbaum, Esq.

Fifteen years ago, I walked away from the law firm treadmill, overhead, politics, billable hours, all of it, and went out on my own. I wanted to practice ERISA law in a way that actually added value, not just racked up hours. I didn't want to be just another suit approving bad plan documents drafted by someone who didn't know what "compensation" meant in a plan context. I wanted to fix things. That's what Full Circle is about: coming back to the core of why I got into this space in the first place, to help people retire with dignity. If you're a 401(k) plan provider, TPA, advisor, record-keeper, or attorney, here are ten hard-earned, straight-talk tips from the trenches.

1. Know Who You Work For

You don't work for the payroll company. You don't work for the record-keeper. You don't even work for the plan provider who sends you the most referrals. You work for the plan sponsor, and ultimately, your job is to serve the participants. That's your fiduciary compass. Lose sight of that, and you're no longer protecting the people who matter most. And let me add, if you're more loyal to the wholesaler than the plan sponsor, it's time for a gut check. You're either in this business to protect people's retirements, or you're in

it to chase commissions. Choose wisely.

2. Stop Worshipping Big Record-Keepers

Just because a provider has a slick website and a huge name doesn't mean they're

stead, find partners who treat your client like they matter, because they do. The truth is, many small and mid-sized record-keepers offer better tech, better service, and more flexibility, if you're willing to look. Stop defaulting to whoever has the flashiest conference booth and start thinking about fit, service, and accountability.

3. Educate, Don't Overwhelm

Advisors and TPAs often mistake quantity for quality. More charts, more acronyms, more disclaimers. But if you confuse your client, they're not going to trust your advice. Speak plainly. Translate fiduciary language into English. Explain the impact of plan design with real examples. Simplicity builds trust. And more importantly, simplicity creates action. A well-informed plan sponsor is far more likely to implement smart features, like auto-enrollment or rebalancing, if they understand why it matters.

4. Fees Aren't the Problem, Obscurity Is

No one ever got sued for paying a reasonable fee. But plenty of plan sponsors have gotten into hot water for not understanding what they're paying. Use flat-fee models when possible. Avoid murky revenue

the best choice for your client. Big often means bloated. They're not going to bend over backward for a \$5 million plan. In-





sharing. And always, always, disclose. Hide nothing. Fee transparency isn't just compliance. It's credibility. When you explain clearly where every dollar goes, you show clients you're on their side.

5. Document Everything

Advice not documented is advice that doesn't exist. If you recommend a design change, follow up in writing. If your client makes a fiduciary decision, advise them to record it in meeting minutes. It's not just about CYA, it's about showing you're doing your job. In fact, documentation is often the difference between an inquiry and an audit. It's not paranoia, it's professional discipline. And it will save your clients and your own reputation more times than you can count.

6. Solo 401(k)? They're Really Alone

Solo 401(k)s are a great option, but they're often misunderstood. Sponsors grab a free plan online and forget about it. No restatements. No 5500 filings. And no idea that hiring even one employee changes everything. If you serve solo plan sponsors, educate them. The IRS won't care that they didn't know. And you, as the provider, are often their only resource. You don't have to hand-hold, but you do have to speak up before their "solo" plan becomes a noncompliant mess.

7. Don't Be Afraid to Say No

Being a provider doesn't mean saying "yes" to everything. It means having the professionalism to say, "That's a bad idea." If a client wants to stretch eligibility or manipulate vesting in a way that invites compliance issues, speak up. You're not a vendor, you're a fiduciary partner. Act like one. Saying no isn't a risk, it's a responsibility. And it often earns you more respect than the advisor who nods through every bad decision.

8. Don't Ignore the Human Side

We deal in numbers, forms, and deadlines, but we also deal in people. That plan sponsor who's frustrated might be dealing with layoffs. That TPA who's behind might be covering for a sick colleague. Empathy matters. Retirement isn't just about assets, it's about lives. Keep that in focus, and your service will get better. When we forget the human side, we lose the heart of this business. And that's when everything starts to look transactional instead of transformational.

9. ERISA Attorneys: Know What You're Signing

Too many plan documents are signed off on by attorneys who don't understand the language. A poorly defined "compensation" term or a botched eligibility rule isn't just a typo, it's a compliance landmine. If

you're in this space, know the rules. And don't delegate your ethics to a bundled provider's legal team. Your signature means something. Don't lend it to a plan document unless you've read every line and understood the implications. If you're not doing that, you're not practicing ERISA law, you're rubber-stamping liability.

10. Come Back to Purpose

This industry can wear you down. But the professionals who last, and the ones who matter, never forget why we're here: to help people retire with dignity. That means challenging bad practices. That means prioritizing the participant. That means showing up, even when

it's inconvenient. When you find yourself frustrated by bureaucracy or buried in minutiae, take a breath and remember: this isn't just business. It's someone's future.

Final Thought: Be the Professional They Deserve

Keep fighting. Keep learning. Keep standing up for what's right, even when no one is watching. That's how we make this industry better. That's how we bring it full circle. Because if we don't do it, who will?

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