

Full Circle: Why Retirement Plan Providers Need to Rethink the Business of 401(k) Plans

By Ary Rosenbaum, Esq.

There's a lesson I've learned from life, law, and a few thousand hours of 401(k) consulting: Time is undefeated. It catches up with people, ideas, firms, and reputations. I've watched good advisors lose their way, and overlooked plan sponsors end up in the crosshairs of DOL audits or class actions—often because someone in our industry decided to prioritize short-term gain over long-term purpose. It's why I wrote my new book, *Full Circle*. Not just as a memoir, but as a wake-up call—to remind the retirement plan industry what this work is really about, why it matters, and how we've drifted so far from our original mission. We've built a multi-trillion-dollar system, but somewhere in the process, we forgot the people it's meant to serve. So this article is for the plan providers—TPAs, advisors, recordkeepers, ERISA attorneys, and everyone in between. I want to talk to you directly. Not in legalese, not in sanitized best practices, but with the blunt honesty that *Full Circle* represents. Because we've reached a point in this industry where we need more truth, not more polish.

What *Full Circle* means to me

I've come full circle in my personal life—something I never thought possible when I was a kid growing up in an abusive household. Back then, survival meant silence. I learned to stay small, to flinch before the blow, to keep my head down and my voice buried. That kind of fear follows you, even as you grow older and try to build a dif-

ferent life. I entered an industry where that same toxic dynamic played out in different clothes—where egos loomed large, and people like me were expected to know their place, to stay quiet, to accept being over-

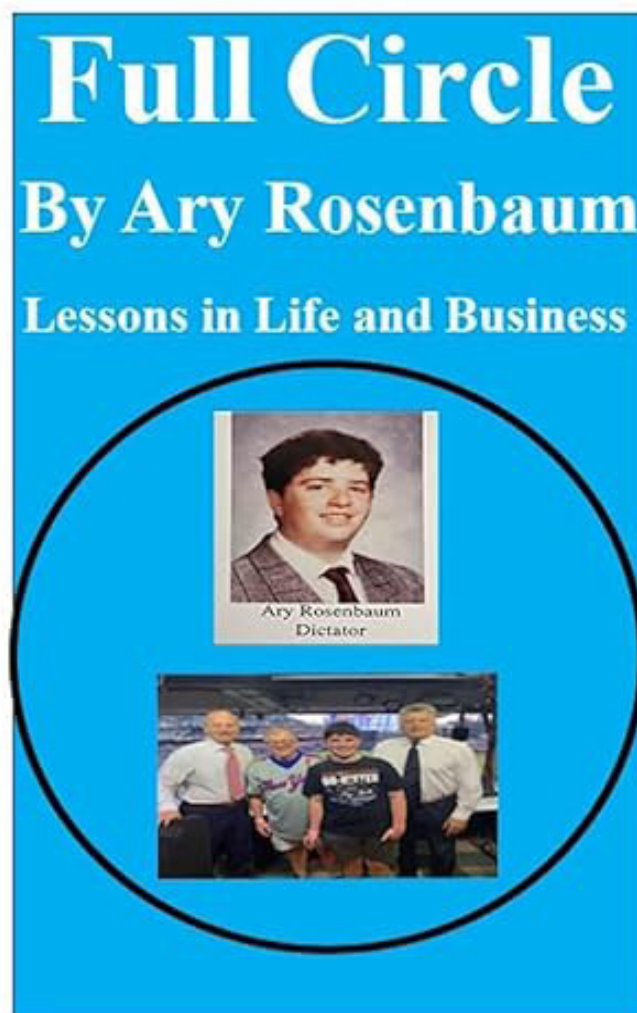
others who didn't have the same footing. Coming full circle means I'm no longer defined by where I came from—but I carry that past with me as fuel. Perseverance isn't pretty. It's bruised and stubborn and unrelenting. But it's also what saved me. Never give up.

What We Forgot

When 401(k) plans took off, it was never about dashboards or fintech. It was about giving working Americans a shot at retirement. Not just accumulation. Dignity. Security. Peace of mind. We've turned that goal into a business model that too often hides behind complexity. And we've allowed a system to evolve where the people carrying the fiduciary liability—plan sponsors—are also the ones most in the dark. That's on us. Sponsors don't know the rules, the risks, or their real responsibilities—because too many of us have made it easy for them not to know. We build platforms that obscure rather than clarify. We dazzle them with automation, but we don't sit down and explain the basics. So they drift. They rely. They assume. And when a participant lawsuit shows up, when a late deposit is flagged, when an imprudent share class becomes the centerpiece of a complaint, they're stunned. And we pretend it wasn't predictable.

Liability Is the Symptom. Our Culture Is the Problem.

ERISA isn't ambiguous about fiduciary duty. If you make decisions for the plan—or control its assets—you're a fiduciary.



ferent life. I entered an industry where that same toxic dynamic played out in different clothes—where egos loomed large, and people like me were expected to know their place, to stay quiet, to accept being over-



That means prudence. That means loyalty. That means acting in the best interest of participants. But the culture of the provider world too often prioritizes retention over integrity. I've seen it firsthand—advisors who look the other way on high fees, TPAs who disappear after implementation, lawyers who write disclaimers instead of advice. I've been in this space long enough to know how easy it is to blend into the noise. But here's the truth: if a sponsor gets sued and says, "No one told me," somewhere along the way, a provider failed. And maybe they didn't violate ERISA. But they violated something more important: trust.

Providers Must Lead—Not Just Service Here's what the best providers do:

- They educate sponsors about their fiduciary role—not in a way that scares them, but empowers them.
- They benchmark fees and monitor investments because it's the right thing to do, not because it's required by an RFP.
- They say no to bad plan designs and abusive fee structures,

even when it means losing a sale.

- They clean up messes they didn't make because they see themselves as stewards, not vendors.
- They document everything. Because oral advice doesn't hold up in court. They don't try to look smart. They try to be helpful. And that's a distinction this industry desperately needs to rediscover.

Full Circle Isn't Just a Book. It's a Choice.

The reason I titled the book Full Circle is because I believe the most important lessons—about work, about ethics, about purpose—aren't new. We learn them early, we forget them in the middle, and if we're lucky, we return to them at the end. I've come full circle in this industry. I started as a benefits associate at a small firm for \$35,000. I was trained to see retirement plans as a risk to be mitigated. But what I've learned—through clients, mistakes, audits, and yes, lawsuits—is that the only way to do this job right is to stop hiding behind the law and start embracing the

mission. The providers who thrive in the next ten years won't be the ones who automate the most. They'll be the ones who communicate the best. Who tell the truth. Who simplify the complex. Who never forget that behind every plan are real people depending on us to get it right.

The Final Word

Time is undefeated. Careers end. Clients move on. Platforms rebrand. But what remains is the trust you built—or the damage you caused. So let me leave you with this:

- If you're a provider who educates instead of sells—keep going.
- If you're cleaning up someone else's mess—document it, fix it, and teach the sponsor how not to repeat it.
- If you've been coasting on automation and jargon—it's not too late to come back.
- And if you're new to this field—learn the law, but lead with heart.

Because at the end of this, none of us will be judged by our assets under management. We'll be judged by the people we helped retire with dignity—and the sponsors we helped stay out of trouble. That's the full circle. That's the job.

THE ROSENBAUM LAW FIRM P.C.

Copyright, 2025 The Rosenbaum Law Firm P.C. All rights reserved.

Attorney Advertising. Prior results do not guarantee similar outcome.

The Rosenbaum Law Firm P.C.
734 Franklin Avenue, Suite 302
Garden City, New York 11530
(516) 594-1557

<http://www.therosenbaumlawfirm.com>