



PARTICIPANT SERVICES

Traditional retirement plan education has failed to move the needle in helping participants achieve a successful retirement outcome. Too much effort is being spent trying to convince participants to become enlightened savers and expert investors. Group education focuses primarily on the benefits of participating in an employer-sponsored plan but does little to address employees' broader financial challenges that serve as a barrier to saving for retirement. While targeting new participants, group education fails to engage with active participants in a way that helps them stay on track for retirement through their working years and transition effectively into their retirement stage. Similarly, individual participant advice is underutilized by the participants and too focused only on the investing piece of the equation when broader retirement planning is what is needed for most participants.

A successful employee engagement program focuses on helping participants achieve sufficient income in retirement. Multnomah Group supports better retirement outcomes by designing plans that are:

Easy to start – Participants shouldn't require a 60-minute enrollment meeting and 30-page enrollment manual to be able to start saving for retirement. We believe plans should utilize proven behavioral finance techniques such as automatic enrollment, auto-escalation, and limited choice architecture to eliminate barriers to entry for retirement savers.

Leak-proof – Retirement plans are designed for just that – retirement. Early withdrawals in the form of cash out distribution, loans, and hardship distributions inhibit participants' success because they pay early withdrawal penalties and taxes, as well as miss out on compound earnings growth and delay future savings. We believe plans should be designed to limit the opportunities for assets to leak out of participants' retirement savings, enabling participants to stay on track for a successful retirement.

Safe to leave – Since their launch, defined contribution plans have almost exclusively focused on the accumulation of assets for retirement. A generation of employees is now approaching that retirement date with little support provided to them in leaving the workforce. We believe plans should be designed with thought given to distribution, not just accumulation.

Once we have a successful plan design in place, we work with clients and their vendors to develop customized employee engagement strategies. While each plan is unique, our philosophy is to invert the traditional educational model, focusing less time and resources on educating people to enroll in the plan and more on those needing the greatest help: people nearing retirement.

¹ All investments carry the risk of capital loss, and under no circumstances does Multnomah Group, Inc. guarantee any specified rate of return.

Participant Group Meetings

The traditional employee engagement model has participant group meetings at the center of the education strategy. Meetings are primarily targeted to new employees and those that have yet to enroll. The emphasis is traditionally on the need to save for retirement and the benefits of using the employer-sponsored retirement plan as the tool to save. This limited approach is not effective in improving participation; it is too narrowly focused on retirement; and it does not address the needs of the broader employee population. We believe participant group meetings can be an effective tool for employees, but the meetings need to be relevant to all attendees and focus on their broader financial wellness, as it impacts the likelihood of their achieving retirement success. Topics addressed include:

- Estate Planning Basics
- Financial Planning Basics
- Long Term Care
- Retirement Basics
- Retirement Income
- Social Security
- Understanding Your Employer-Sponsored Retirement Plan

Individual Participant Advice

Individual participant advice is a very effective tool, but it is underutilized and too focused on investments rather than broader retirement planning. We believe successful education strategies should re-direct the time and resources historically spent on enrollment into providing individualized, participant advice to employees that need it the most – those nearing retirement. This demographic has the most at stake with the retirement plan and faces the most complex set of questions. For example: When should I take social security? How much can I afford to spend in retirement? When should I retire? What should I do with my retirement account? These questions are not effectively addressed in a group setting, as each situation is unique. Individualized retirement advice delivered by a fiduciary can effectively help employees stay on track and transition into a successful retirement.

