

Pentegra 2022 Study

Advisor
Attitudes Toward
3(16) Fiduciary
Outsourcing

Pentegra 2022 Survey on Advisor Attitudes Toward 3(16) Fiduciary Outsourcing

In December 2022, Pentegra conducted a survey of retirement plan advisors and their perspective on retirement plan 3(16) fiduciary outsourcing.



The survey measured how advisors are using fiduciary outsourcing to help clients better manage their retirement plans. It also captured their perspectives on what outsourcing does to help them better position their services and manage their practices.

Pentegra Advisor Survey on Attitudes on 3(16) Fiduciary Outsourcing was conducted from December 1 2022 thru January 12, 2023. Data included responses from 81 advisors nationwide.



Why Outsource?

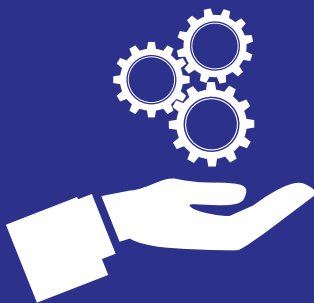
Today, retirement plan administration has become increasingly complex. There are new regulations and increasing compliance burdens. For many employers, the time commitment can be overwhelming and distracts from the more critical responsibility of running a business. As an advisor, it can be a distraction from your business as well.

Navigating these responsibilities is time away from their business and yours—time that could be better spent focusing on growth and profitability. For both you and your clients, time is money.

Outsourcing offers a better way to manage these responsibilities.

3(16) fiduciaries assume key retirement plan responsibilities for the client. This helps by not only eliminating work, but also minimizing risk and responsibility for doing the work.

The client's long list of retirement plan responsibilities become only a few. Clients enjoy the confidence that comes from having a professional handle the complexities and burdens that come with offering a retirement plan.

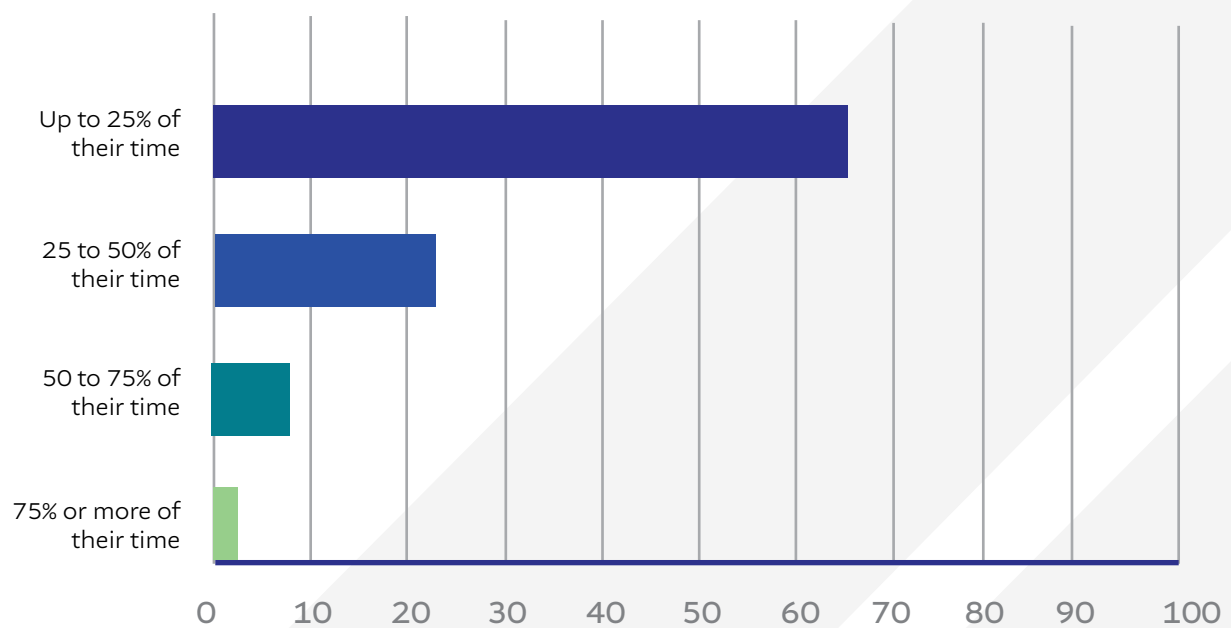


What 3(16) Fiduciary Outsourcing Does for Plan Sponsors

- Saves time
- Reduces workloads
- Minimizes risk & liability
- Eliminates complex responsibilities
- Improves plan outcomes
- Makes offering a retirement plan easier

Nearly 89% of advisors surveyed said that clients are spending up to 50% of their time on retirement plan administrative work that could be outsourced

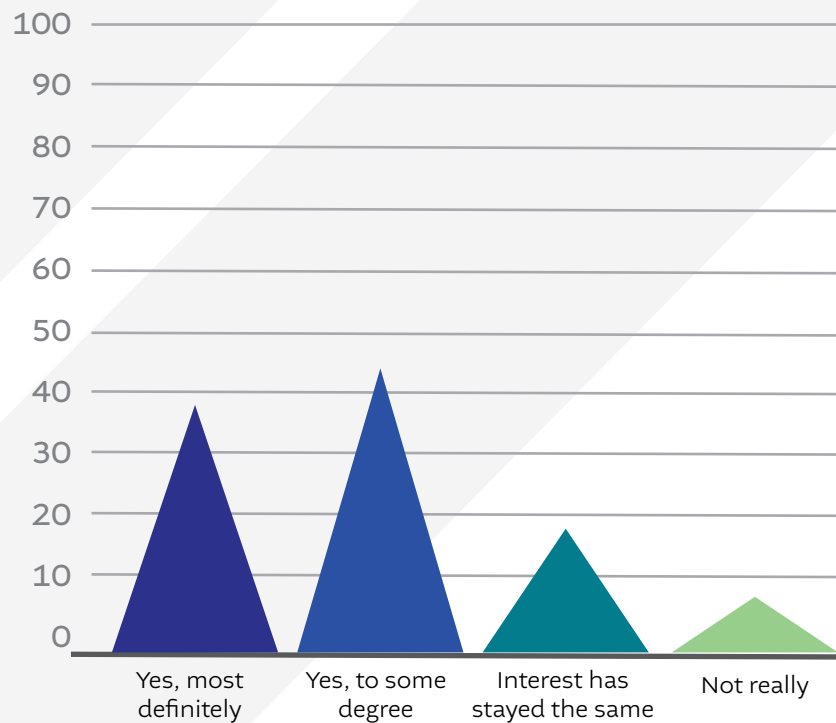
How much time are your clients spending on retirement plan administrative work that could be outsourced?





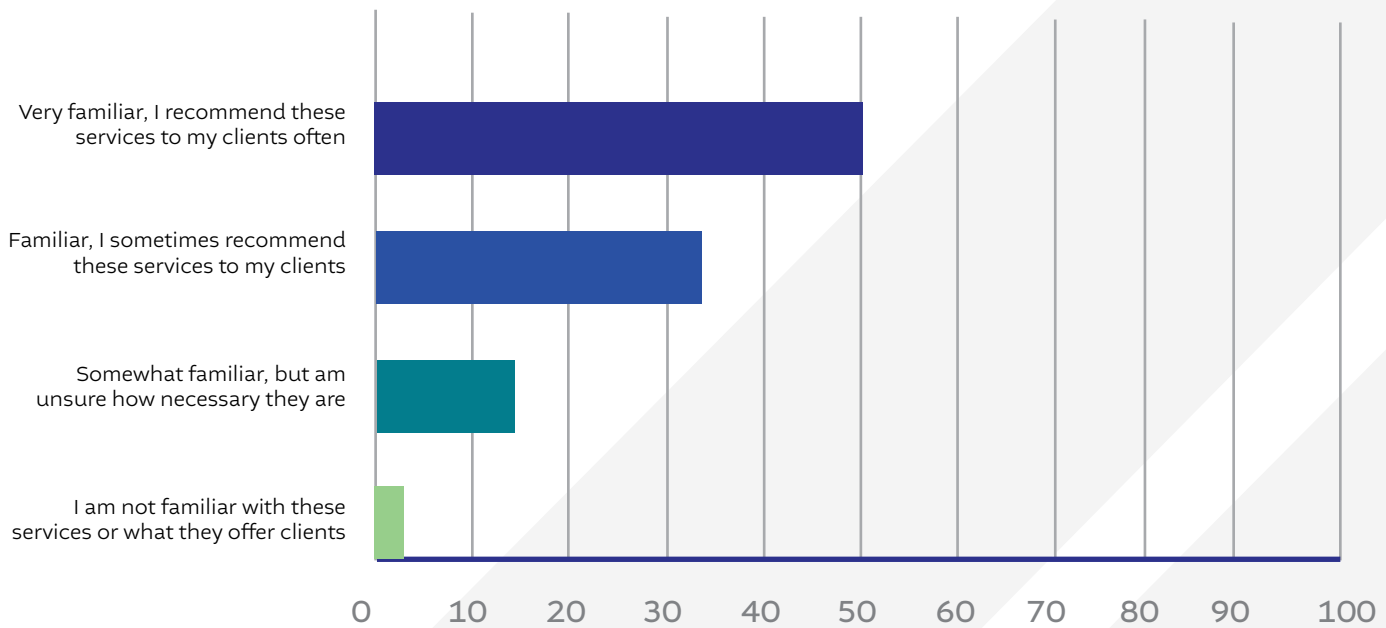
Advisors agree that clients are becoming more interested in fiduciary outsourcing services

Do you feel that plan sponsors are becoming more interested in these services?



Today, most advisors are familiar with 3(16) fiduciary outsourcing

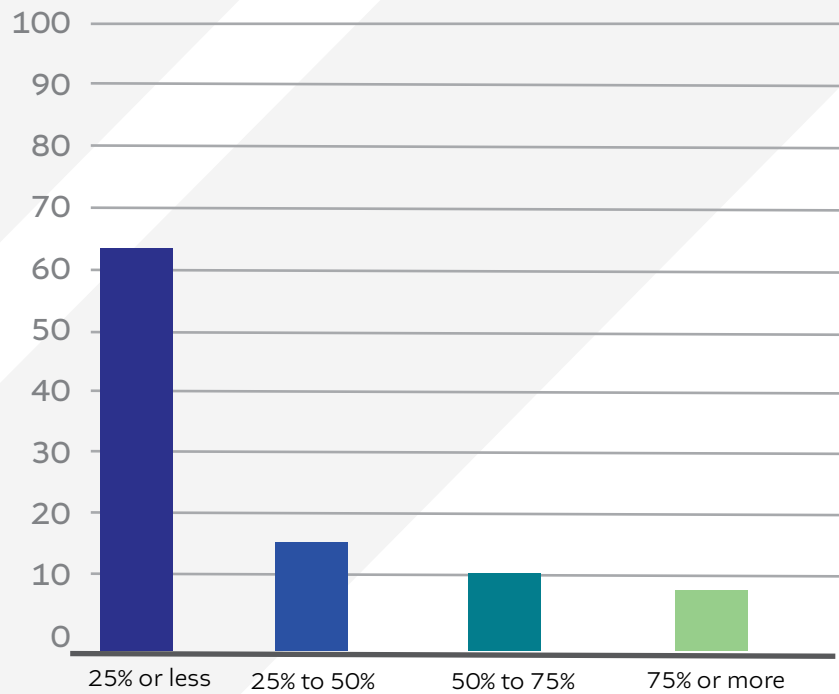
How familiar are you with 3(16) fiduciary outsourcing?





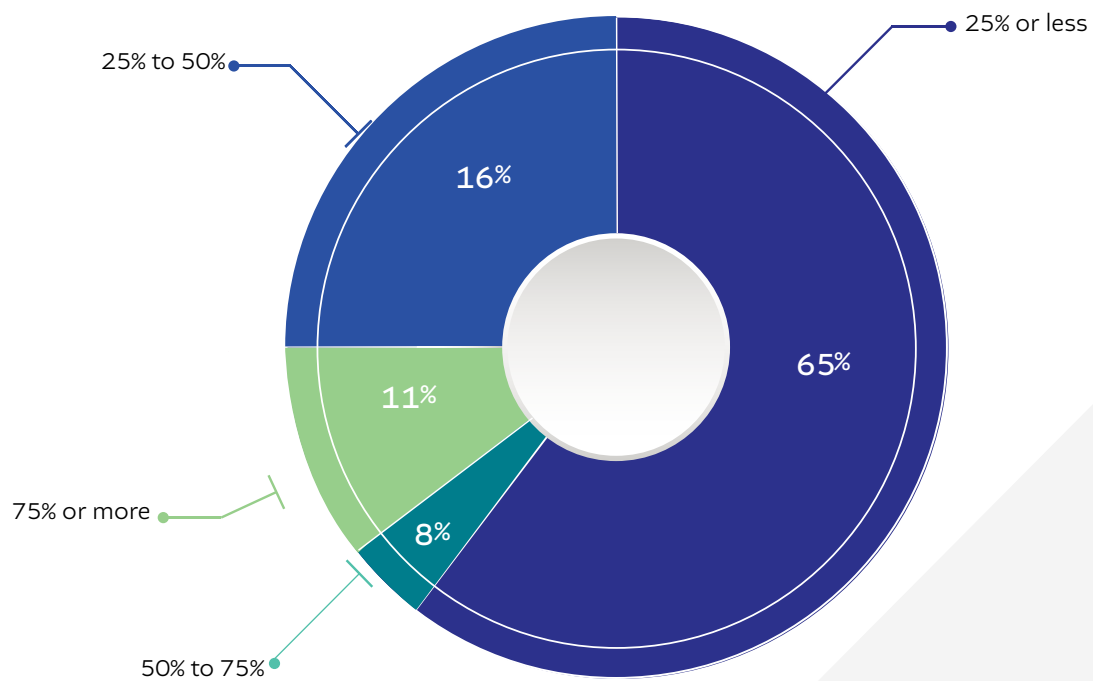
Up to 50% of clients plan to add these services in 2023

What percentage of your clients plan to add 3(16) fiduciary administrator services in 2023?



Less than half of their clients outsource these responsibilities

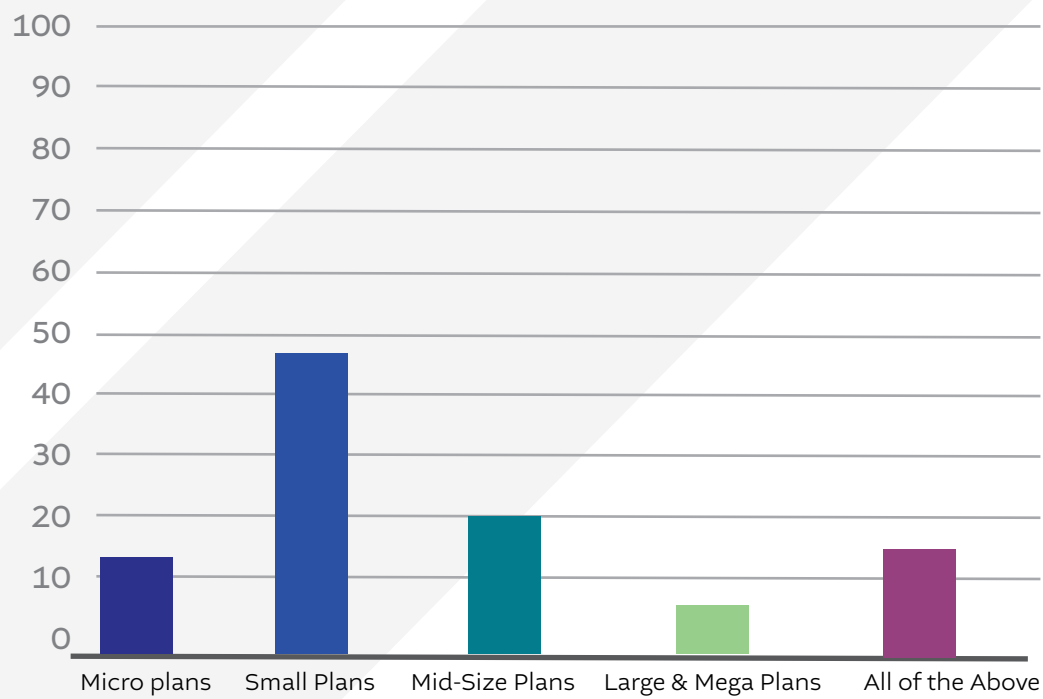
What percentage of your clients currently outsource fiduciary responsibility for 3(16) retirement plan administration?





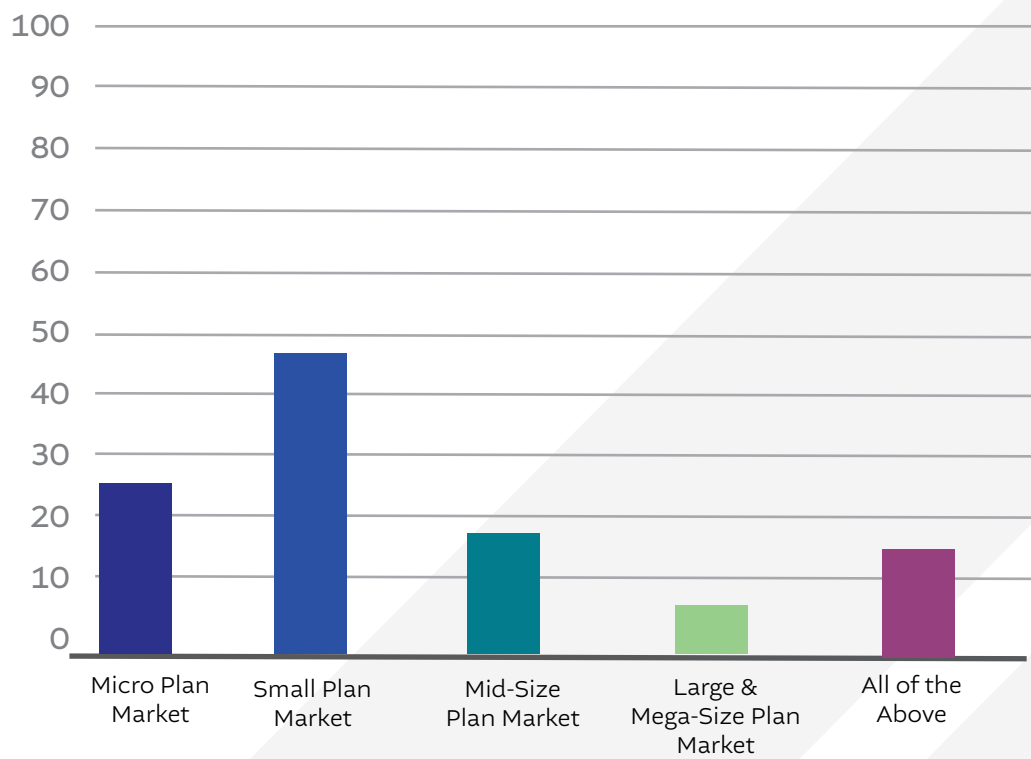
Advisors see all market segments utilizing fiduciary outsourcing

What size retirement plan clients typically use these services?



Advisors feel all market segments could benefit from fiduciary outsourcing

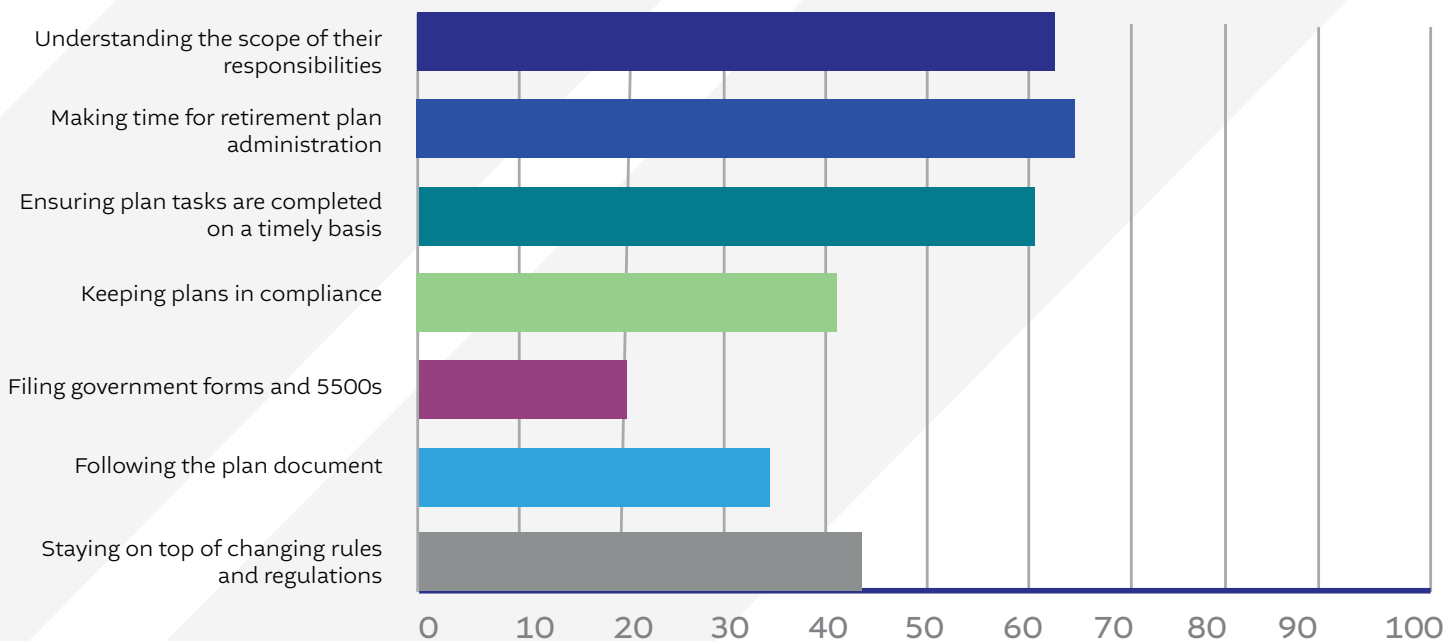
In which market segment do you typically see the greatest need for these services?





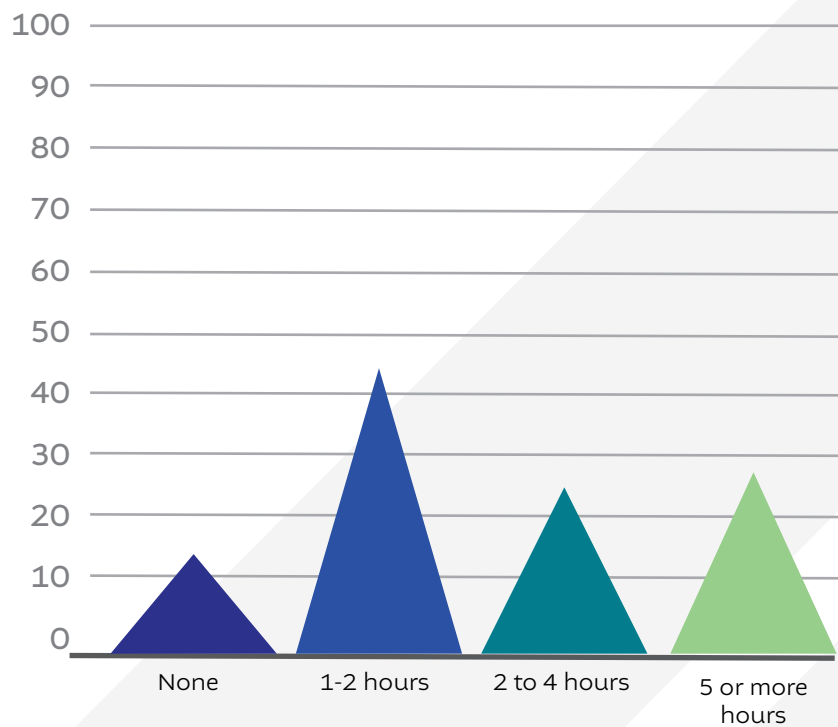
Plan Sponsors could use more time focusing on other areas of their business

What are the biggest challenges your clients face in administering their retirement plan?
Select all that apply.



Advisors generally spend 1 to 5 or more hours each week dealing with retirement plan administrative issues

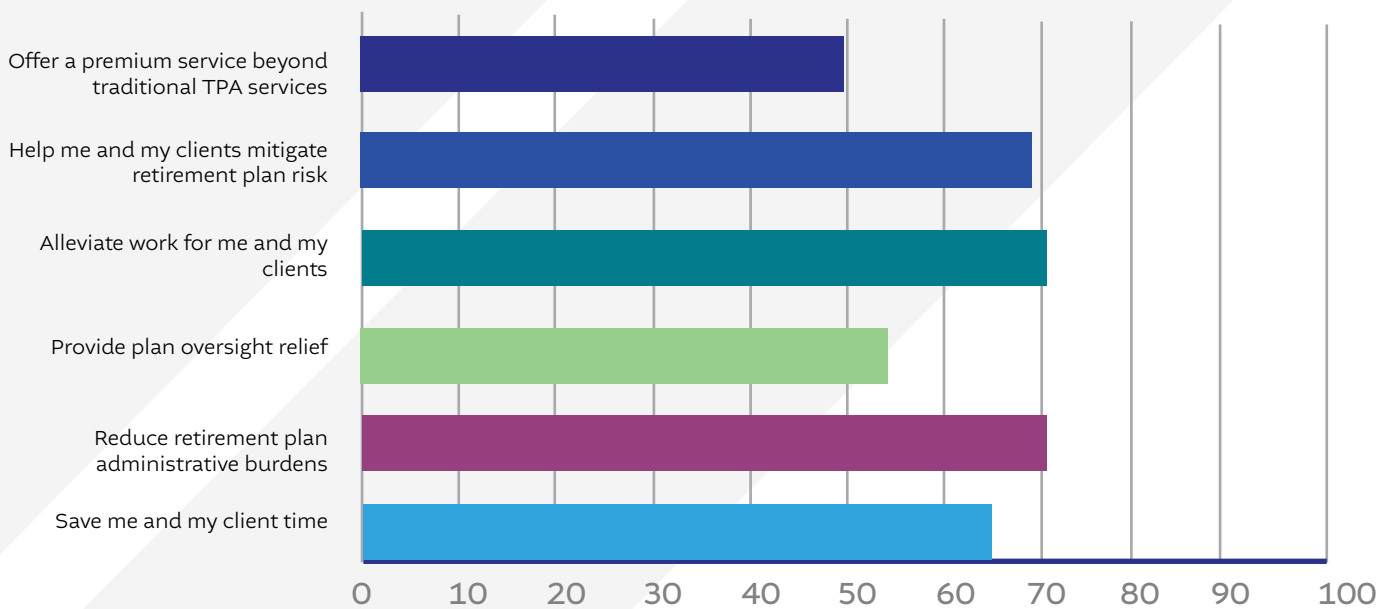
How much time are you typically spending each week on retirement plan administrative issues?





Outsourcing 3(16) fiduciary administration offers advisors key advantages

What advantages does 3(16) fiduciary outsourcing offer your practice? Select all that apply.



The benefits of working with a professional fiduciary

As a fiduciary, we provide expert oversight and in-depth knowledge, shouldering much of the work and assume legal responsibility for managing a retirement plan.

In this role, we focus on every aspect of your plan, identifying issues that often elude others and saving clients countless hours and hundreds of thousands of dollars in fines and penalties.

Clients have the assurance of knowing their plan is well designed, well managed, and compliant and enjoy the confidence of working with experts who are impartial and always put the client's interests first.

Plan sponsors, participants and advisors enjoy a higher level of protection—and the peace of mind that having a professional on board delivers.

Learn more about the Pentegra 3(16) Fiduciary Outsourcing Advantage.

Contact the Pentegra Solutions Center at solutions@pentegra.com or 855-549-6689.

When you work with Pentegra as a fiduciary, plan sponsors and advisors enjoy reduced workloads, lower levels of risk, improved plan outcomes and greater peace of mind.



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As a true 3(16) fiduciary, we stand in front of the client and assume responsibility and liability.

