Please note: This is a transcription so there may be slight grammatical errors.

Hello everyone and welcome to today's webinar, Participant Communications Best Practices. I would now like to introduce Debra Gates, Manager of Advice and Wellness at CAPTRUST.

- Thank you so much Kera. Good afternoon everyone. On behalf of all of us here at CAPTRUST, we really do appreciate your taking the time to join us today. As you gain insight on the best practices as it relates to participant communications, especially in times of volatile market conditions, it's important for plan sponsors to regularly engage with their participants, to help them stay focused on their long-term goals and optimize their retirement readiness. Just to give a brief introduction, I'm Debra Gates. I joined CAPTRUST in 2017. I brought with me over 20 years of industry experience, holding my FINRA Series 6, 63, my charted retirement planning counselor designation, and a doctorate of education in organizational leadership. As a manager in participant advice services, I'm responsible for training initiatives, content development, and collateral for participant education, and I am based in Southern California. I'd like to invite two of my colleagues to this conversation today. So if we could just go to that next slide. I just wanna introduce Barry Schmitt and Mike Webb. Barry has been at CAPTRUST since 2005 and he has over 30 years of experience in the retirement services industry. And he serves a Principal Financial Advisor based in Richmond, Virginia. I'd like to make a couple of, I wanna talk about Mike Webb. Mike Webb, who has also been here with CAPTRUST, and he has been here, oh my gosh, since 2021. He has over 30 years experience as well. Both of them have been recognized, they have several different accolades, PLANADVISER Magazine. Barry is managing combined assets under advisement over $80 billion. Mike has been a member of the retirement advisor council and was recently honored for his efforts in participant engagement. So you have a wealth of knowledge here on this on this call today, a wealth of knowledge, a wealth of experience, so I wanna say Barry and Mike, thank you for joining me today.

- Our pleasure.

- So the first thing I wanna do is I wanna address this elephant in the room of market volatility and how it relates to participant communication. So Mike, Barry, we live and breathe this on a daily basis with our collective experience, covering several decades. And our perspective is through a different lens, but what about the person who is not exposed to this every day and all of this is ancillary to their everyday lives? All of the white noises out there, the news media, social media, which gives platform to a myriad of thoughts and information that's not always accurate. How do we bring calm to chaos? If we go to the next slide, Barry, can you help us understand what an investor might experience emotionally in the midst of today's happenings?

- Thank you, Debra, and I love this slide. You think about investing. Investing, much of the time, is emotional. We can't help that. We have certain feelings that we bring to the table, and so our job, your job as plan sponsor is to take as much of the emotion out of the decision making with respect to investments. You can't avoid it. We understand it's there. But this chart kind of helps explain kind of where people are in terms of their journey, in terms of the emotions with respect to how they invest. If you look at the left-hand side, you think about like 2019 as an example. The S&P 500 was up over 30%. So you could run the risk or you could be, or you could resist. Maybe I need to invest more. I need to invest more aggressively. So then that came into 2020 with the pandemic. So that was short-lived. So we wanna make sure that when investors invest, they look at the long-term, then you think about kind of coming out of the pandemic, same thing. A little optimism. People wanted to get a slice of that pie. And so then 2022 comes around. If you think about inflation, you think about supply chain, you think about the Russian invasion of Ukraine, the Omicron variant. All those things started to go kind of down on the kind of middle of the slide, so people started feeling a little more anxious. People saw some fear in the marketplace, a panic perhaps drove in. So this whole chart is really to think through the type of messaging that you wanna provide to your employee base. You know your employees better than we do, but messaging, especially in this volatile period is key. You think about 2008, for example. 2008, yeah the world was gonna end. And so if you would just hung, stayed the course, or comfortable with your asset allocation, in 18 months, you recouped the losses that were incurred in 2007, 2008. So, make sure you appreciate the fact that each individual is different, but we need to make sure we have clear and distinct messaging around periods of volatility like we're experiencing today.

- Yeah, so, Mike, would you like to add something to that, to that about the emotions of investing?

- First of all, I don't know, I hope everybody can read these little comments in the chart, because they're just very, I mean, they're just spot on and extremely amusing, like under denial, oh, this is just a temporary setback. And then when you get to the other bottom, I think I need to sell under capitulation, which is, the worse times to possibly sell. So this chart is just so perfect. I think we've, I think a lot of plan sponsors have actually done a pretty good job, of messaging in this area, because we've had enough down markets to deal with. Sadly, to demonstrate this hypothesis. Because I remember, I recall when I first started working, when we had the tech bubble and there was I think the NASDAQ collapsed like over 50%, something ridiculous like that. And people would all be worried and would constantly be contacting you. And then we had the Great Recession. It was not so bad. It wasn't like a million people contacting us and saying, expressing the exact worries on the slope of the chart. And I think, even with, the recent example of, the kinda, I wanna call it a flash crash, but we had that very steep rundown when the pandemic first hit, and that could have been definitely a panic point for a lot of folks, but that didn't really materialize, and by the time they thought about panicking, it was already back up. So I think the good part is there's a lot of places I think plan sponsors could really work on communications, but this area I think, the messaging over time has been, I mean, I can't tell you how many stay the course articles I've read from various outlets.

- Absolutely.

- So I think, I think we are doing a fairly decent job here, but I think if you really keep this chart in mind, you'll have your eye on the ball and know exactly what to say every time there's a correction.

- Absolutely, absolutely. So what I've heard through your narrative, I heard you say, we wanna emphasize to participants that retirement planning lends itself to a long-term strategy. We wanna give hope, especially to those who are over 55. You noted that messaging is important. So I wanna talk about that a little bit more. So Joy, can we go to that next slide, and by the way, Kera, I know you are in the background. If you have, if there are questions that come up through the chat, please interrupt and allow us to address them in real time if something comes up that you see that someone has a question about what we're talking about. So let's talk about this effective messaging and so I know the plan sponsors are very concerned about their employees. How often should plan sponsors communicate with their employees? What do you think about that, Mike, and Barry, please feel free to pepper in any thoughts that you might have as we address this topic as well. So let's look at, this messaging. How often should we send something? We don't wanna inundate participants with information, but how do we do that?

- Yeah, and it's a little bit of a balancing act, because the gut reaction is, as often as possible, right? Because you wanna get, you always wanna stay in front of people, but yes, you don't wanna be sending, obviously you don't wanna be sending, depending on your medium, and the way you communicate, you don't wanna be sending five videos to their inbox in a day or five emails to their inbox a day or five letters out in the mail, or five texts a day where we wanna contribute, but you do wanna keep up kind of a regular, I think, we'll talk a little bit about cadence in a second, but why keep up a regular rhythm in terms of the audience, oh, oh, they're delivering something to me that I wanna click on and I want them to have interest in. Don't lose them, because you've gotten them at the point where you can build on that, and I think the places that have gotten the most, what I call click throughs on their electronic stuff and other engagement when you're talking about other mediums, the ones that have been really effective have been consistent, but not overwhelming. So, and we know how it is. In our daily lives, everyone, just everybody who has an email inbox, even a personal one, or maybe even a work one, knows like they're gonna be less likely to open the ones that are there five times a day. If they're there once a week or once a month, yeah, probably more likely especially if the content's good. But even if the content's good, I might not open something if they're literally sending stuff to me daily or five times a day. So I think it's, yeah, it is a balancing act. You have to be consistent. Definitely don't err on the side of the other way, where you're only sending something out quarterly or annually or, I think you just don't get enough traction that way. So to me, a happy medium is kind of monthly, but I can certainly see arguments for other cadences, especially in different mediums. For example, good old-fashioned, some people are still reached by a good old-fashioned snail mail. Obviously, you're not doing that weekly. I'd like to think, you'll go broke as a plan sponsor.

- Yeah, I think Mike, just a couple points. I think the frequency, I think as a baseline, probably monthly, although, with this particular negative volatility that we've experienced in the marketplace, a little more frequent communication is not necessarily a bad thing. I think you're gonna know kind of that balance of like, am I over communicating, not communicating enough? But that really is something that we feel like, especially in times, there's always gonna be situations where you need to increase that frequency in terms of the communication. On the cadence side, as we're talking about cadence, there's gonna be certain messages that you wanna convey on a frequent basis to your employees, whether if you have all your employees get a raise in a particular period of time. That's gonna be a normal cadence to encourage more participation in the plan, certainly market, but the things like college savings, emergency savings, budgets, those sorts of things, you need to figure out like what's the best timing and a particular cadence of reinforcing some of those items that you really want your employees to focus on.

- Yeah, and I think that the common denominator, I think that everything that we are talking about and what you've both said is, is really being intentional. Having an intentional purpose, so look, what is this, what is the purpose of this communication? Understanding who you're speaking to. Are you doing some segmentation or is this a time where you really wanna reach out to those that are nearing retirement? Or is this a time that you want to reach out to your early investors? So that communication, so how often do you need to speak to them? So I think that wording is really important, being intentional and knowing, who am I sending this out to, to make sure that you're meeting the needs of that population, and if it's a broad base that is to everyone, just make sure that it's intentional, as well as looking at the frequency and the cadence of it all.

- [Kera] Debra, hi, this is Kera to interrupt with some questions. We've had quite a bit of activity in the questions pane, so I'll just shoot a couple your way, if we could answer them. I have about four questions lined up for you. The first question is, how often does CAPTRUST communicate with participants where CAPTRUST serves as the advice provider?

- I'll take that one. That's a very good question, and so we do that on a monthly basis that we offer education. Every month, we send out some piece of education, and it depends, it's in various forms, various forms of media, but we're reaching out every month with some type of education, with one call to action, and that call to action is to contact us and to speak to us further about what we have and talking about their personal situation. So it's on a monthly basis that we're sending out that information.

- [Kera] Thank you Debra, and the next question, it looks like, states, "We're fortunate that we have the same investment lineup, but are there any considerations in a multi vendor environment?"

- Sure.

- Short answer.

- You know that well Barry.

- Yeah, I know that one well, since I have a lot of higher educational institutions, I have a tendency to have multiple recordkeepers. I do think it's really important to kind of set first of all the cadence. So there's gonna be things that the recordkeepers will do just as a normal course of business. I talked about before about annual salary increases or college savings, emergency savings, so that sort of thing. The more you align those communications together, we certainly would encourage having the communication be from the institution, because then you can customize it to your needs and not necessarily the needs of your particular recordkeeper, so the more we can do that on a customized basis, the better, but it does involve planning. Involves planning in terms of the messages you wanna incur. You want to incur for over the course of the year, but you're also gonna have periods of time like we do today, like we need to have some additional messaging, but working together with your recordkeepers and making a more consolidated custom type of communication is really, to me, the best message we could possibly convey. Like I'm sure you have some experience as well.

- Yeah, like, first of all, kudos to you as a plan sponsor for being able to work with multiple recordkeepers. My recommendation has always been, can you possibly get it to one? And the reason for that is it does complicate. We have to be honest here. It does complicate the process a little bit. When you have one recordkeeper sending their messaging to participants, you got a different recordkeeper sending their messaging to participants, and then you're trying to send the plans messaging to participants, it can be very difficult and you do need some probably in that environment, you definitely want an advisor to kind of quarterback and work with you to help you out, because you're just really gonna need it, because you really need to take control that process and it probably means in the beginning getting the reins on, looking at what they're sending. Are you comfortable with what they're sending? I've seen recordkeepers send something out that's completely the opposite of what the plan sponsor messaging was, so you wanna make sure that you're working, you're all working in tandem to achieve the goals of the plan in an optimal situation, and at the very least, you're not working against the goals of the plan, because when you have, 'cause let's face this. Each of those recordkeepers has a competing interest and it's not necessarily the same interest as the plan sponsor who's, by the way, the fiduciary for the plan and almost always the recordkeepers are not.

- Right.

- Absolutely.

- [Kera] In what you just shared, I believe you've answered one of the other questions. They're asking about who should be sending the communications. Oftentimes, the recordkeepers will have their own communication plans that involve multiple pieces of communication, but should there also be communications coming directly from plan sponsors on a regular basis? We also have another question . Have you found participants respond better when communications are in the plan sponsor branding or in the recordkeeper branding?

- I hate to say it depends. It really depends, but I would say anecdotally, it's more, if the plan sponsor communicates it, we have a tendency to see more action or actionable items, as opposed to, if the recordkeeper, that's just another piece of mail and they have a tendency to throw some of that away, but if it's a custom communication with the plan sponsor and plan sponsor letterhead, the home address or the return address is plan sponsor, they have a tendency to open it a little bit more.

- Yeah, and I think you hit the nail on the head Barry with medium.

- Yeah.

- I can tell you 99% of my mail, I throw out. Am I gonna throw out something from my employer? Probably not. Am I gonna throw out something from my recordkeeper? I'll be embarrassed to admit. I probably wouldn't, because I might write an article on it or something and see something there I could learn from, but yeah, I'll admit that the employer, the stuff that comes from my employer is critical. If something comes from the, if I have time, it might sit on my little inbox of mail to be opened here from the recordkeepers.

- Yeah, and I think that also goes back to the plan sponsor, the relationship with the plan sponsor and the recordkeeper and making sure that you're setting and you're letting participants know here are the players. Here's everybody that's involved with your plan. This is the vendor that we have chosen to do the transactional piece of your retirement plan. So it's kind of setting that expectation as well, but I certainly agree with you. When I see something from CAPTRUST, everything else goes by the wayside and I wanna see what is this coming from CAPTRUST, so I definitely agree with that.

- That's not to say that a lot of the communication from recordkeepers are high quality communication. It's just, if we wanna deliver a particular message, we have just found that to be a little bit more effective than coming from a recordkeeper.

- Yeah, and for example, Barry, I mean if I get a video from my recordkeeper, I'll probably watch it.

- Yeah.

- So that's different, very different from mail, from a mail piece. And I think you also, again, have to keep in mind that people all have a limitation of time, so they're all gonna go and we started talking about medium. They're gonna go to the medium that most favors them, and in that medium, they may just open up everything. Their medium might be text. There's people who maybe open 10% of their emails, but they open 100% of their texts, whether it's from the recordkeeper, the plan sponsor or anybody else. So knowing your audience as the plan sponsoring, knowing that's exactly what's gonna happen, you have a tremendous opportunity to take advantage of that.

- Right.

- [Kera] We also received a question. Yes, Debra, we have about two more, I believe. We received a question about the goals of the plan. Earlier, that was mentioned, is there any example that could be provided by what you mean by having goals of the plan?

- I can start with that one.

- Okay, go ahead Barry.

- Barry, that's good.

- No, Barry, go ahead.

- As far as goals of the plan, there could be simply as simple as increased participation, increased deferral rates. We've found a lot of organizations have had a poor online beneficiary designation. It could be as simple as simple or simply as simple getting to 50% beneficiary rate online, so there's a myriad of examples of goals, but I think really the question is, it's important to establish those goals on the frontend, but also be realistic because this is the marathon. It's not a sprint. And so don't anticipate if you have a fairly average type of participation rate, you do a mailing or so, and all of a sudden you have like 100% participation, but you do need to establish realistic goals with respect to any sort of communication that you have. I always wanna make sure that communications are always encouraging participation. They're always encouraging knowing who the resources that the plan sponsor has available, whether that's a CAPTRUST or the recordkeeper that they can talk to and make sound decisions.

- [Kera] We have one more question. It's kind of two people asked a similar question. In relations to resources for HR to use when giving that educated communications to employees, do we have resources like that, or what should go into the messages with reminders within HR typical communications?

- Maybe Mike answer from from a fiduciary perspective first and then broaden it a little bit?

- Yeah, well, I was actually thinking outside of the fiduciary perspective, because fiduciary perspective's kind of the boring stuff that you have to do sometimes, like you have to send some annual reports to people. Are they the most exciting things to read in the world? No, but if you're the smart fiduciary, you can create an opportunity to still require that info in this summary annual report, but somehow put something in there that makes it engaging and fun. So I think that's the issue that, that we have with, in terms of required communication versus what I would call making things fun as a resource. I mean, there's a lot of, the content's not the problem. captrustadvice.com. I'll give you an example. captrustadvice.com has a tremendous amount of content that you can look at, just you go to that website and then it's CAPTRUST, our firm's name, advice, dot com, and there's a lot of videos, there's a lot of articles. There's a lot of different things on our general website, and we're not the only ones out there. We like to think our stuff's the best. We don't have a monopoly. We certainly don't have a monopoly on participant engagement and communications. There's lots of stuff out there. Just type in participant retirement plan language studies into the internet. And you'll find a lot of stuff on what words to use and what words not to use in participant communication. So I think the resource part, the content is not necessary a problem. As professionals, you're busy as an HR professional and it's just a matter of, okay, just getting to it and getting it done and getting that cadence going, 'cause it could be hard in the beginning if you haven't done any communications and a lot of plan sponsors haven't. Just getting that start, just getting the ball rolling, but I can promise you, once you get the ball rolling, some of the results we've seen with some plan sponsors have been nothing short of phenomenal. Way beyond expectations, I would think. Or did you want me to talk about fiduciary more, Barry?

- I think you covered it.

- And I put them to sleep with it. Fiduciary is another one of those words like.

- Major like.

- I mean, I'll include it where necessary, but hopefully we can make it fun for everybody.

- Kera?

- [Kera] One more question just did pop in. Says, "Since we use CAPTRUST and you send something out monthly, does this mean a monthly communication is satisfied?"

- Well.

- Go ahead.

- I think it works for us and we're gonna talk a little bit more about the various types of communication. So there are various things that we have and it could be a video. We have short videos. We have invitations to webinars. We have market updates. So we have a myriad of different ways that we're sending it, so as not just one piece of communication and that's over all of our clients, so it's not just one like newsletter or one memo that we're sending. We're sending varied types of communication, which is, if that's the last question, that's gonna be a great segue into our next slide.

- [Kera] No more questions at this time, Debra. Thank you.

- All right, so let's talk about.

- That was a lot of questions.

- Yeah, let's talk about technology.

- They must like us.

- Yeah, I'm pleased that everyone is engaged. So I wanna talk about technology and we're gonna talk about the form of media that's most effective when communicating with participants. And so Joy, let's just go, let's go to the next slide and let's look at the most effective media for communicating with the plan. And I think this kind of goes back to what we have been saying is that you know your employees. And so if we go back to what we do at CAPTRUST, we work on a cadence, we work on themes. Every quarter, there's a different theme, and the first quarter is save. The second quarter is everything around invest. The third quarter is retire. The fourth quarter is plan. And so within that quarter, we will send out short videos. There is a 60 second video. We have a 3 1/2 minute video that we'll send within that quarter. We will send out invitations to our broad-based topical webinar, and I have to do a shameless plug that we just had our webinar a couple of weeks ago, and there were 3700 people registered. 2100 people came on the call and we were talking about retirement readiness, Social Security, Medicare, creating income in your time of retirement, and so, people coming on to that, they can listen. If they registered, they'll get a copy of the recording, so they can have that information going forward, so what we're sending out. Invitations and everything and all of the education that we send out is one call to action. And that's to call us at our advice desk. And periodically, we'll send out something that says, just as a reminder, you can call and reach out to our advice desk if you are a participant with CAPTRUST. So yeah, so we send that out on that kind of cadence. So let's talk about this, what works best. What have you seen, Barry and Mike, in your experiences with this, other than knowing your employees, what seems to resonate with you right there?

- Yeah, I'll start Mike. You had said it best, Debra, when like, you know your employees and you know from past communications what's been effective and what hasn't been effective. You probably learned from what hasn't been effective more than you do from what has been effective, but what I've seen with my client base is certainly webinars. This particular volatile season that we're in. Our webinars have been very well attended, because people panic, and if you think about in particular, you think about the audience of 55 and older that are thinking about retiring and maybe now, with a 20% market downturn, I can't retire, so those have been very, very well attended events, but webinars, lunch and learns, we've done lunch and learns before with a particular topic. We've done investments 101, just to make sure people understand what they're investing in, participant-directed plans and types of investments that are out there. We've even done some custom webinars and kind of my mutual multiple recordkeeper, whoever has that question before, like oftentimes they have legacy annuities, like what's the best way to convert legacy annuities into mutual funds and walk through that particular process? So there's a myriad of virtual events that we utilize to make sure participants are well informed when they make decisions.

- [Kera] And Barry, with that, we do have a question. Do you plan to send these ahead where they're planned out enough to where you can send a schedule to plan sponsors for the next three to six months, so that they could be publicized?

- Debra?

- Absolutely, yeah, our editorial calendar is usually completed by the fourth quarter of the year prior, so that we can have conversations, develop an education strategy with that plan sponsor, the recordkeeper involved. And so, we'll do that, so that we're prepared and you'll know exactly what's happening for the following year. So that's well in advance of what's going to happen.

- [Kera] And how can these plan sponsors receive a copy of that?

- They would work with their advisor to get that information.

- [Kera] Perfect.

- Mike?

- Yeah, I wanted to add one more thing about these various communications that you're targeting. I mean, you wanna measure that effectiveness of that communication going out, so you wanna see who's opened it up. What's the click rate? If there is a campaign done, how you can find out how many people took action, but the one thing that I do wanna say, I went to a, guys, I went to a conference, I went to a plan sponsors conference, and there was actually a panel and the plan sponsor spoke and that plan sponsor said, "Of the surveys that we send out to our employees, we get a 98% return on those when we send them out." And we were like, "How in the world do you get that done?" And the answer was is that when we solicit, when we solicit feedback, we pivot, we look at the feedback and we act on it. So I think it's also very important if you're going to send out surveys that you need to take the feedback and there has to be some type of acknowledgment or some type of change or something so that people will know if you're gonna ask me my opinion, and I give it, that it just doesn't go into a deep hole. What do you think about that? Is that what you experienced as well? I thought that was very, that was a revelation to hear that. You think that, but you wanna make sure that you're responding to that feedback as well.

- It's so critical, I can't tell you, because if you respond to the survey, and other people respond to the survey, you don't ever hear anything from the plan sponsor again about the survey, they feel like your voice hasn't been heard. And then, you're just an employee. You're not someone who the plan sponsor listens to. So it's just absolutely, and that's critical in any communication. That measuring, and then that following up is just so important. I can't tell you how many times I've been to a new client and they're like, "What's our communication?" "Oh, our recordkeeper meets, when participants, whenever we need them to, and they do it all the time," and I'll say, "Well, what came out of it? Do you have better participation? Are people better prepared for retirement?" And usually the answer is I have no idea. Frank and honest. And it's just like, so you gotta really, and a lot of times it turns out in those situations, the recordkeeper is conducting a lot of meetings, but they're meeting with the same group of employees, the ones who wanna talk and who wanna be heard by the recordkeeper. They're not reaching the employees that they need to reach, which are the ones that are not in the plan, and are not engaging. So you really do need to employ, it's so critical that you figure out a way, and if surveys haven't worked for you, figure out some other way that you're empathetically listening to the employee's voice.

- [Kera] And team, we do have a question of who is CAPTRUST verse TIAA?

- Berry, would you like to take that one?

- What's the question?

- CAPTRUST versus TIAA.

- [Kera] And is TIAA the recordkeeper?

- Ah, okay, so they just wanna know, Barry, what the roles are, especially in our context.

- Well, I mean, TIAA is not a fiduciary with respect to the plan. They're a nonfiduciary function, and if the plan sponsor engaged us as a independent holistic advisor, we would serve in a fiduciary capacity versus TIAA not fulfilling that fiduciary box in the simplest forms.

- And that's gonna be another thing you have to manage with your recordkeeper in terms of your overall participant engagement, because all your recordkeepers, whether they say they provide advice, or they don't say they provide advice, are providing some sort of communication to their recordkeepers, but it's to achieve their specific goal, they're a business and they have to, credit to them, they'll be out of business if they don't run their business well. You, as the plan sponsor fiduciary, and perhaps working with an advisor fiduciary as well, have to just kind of imagine and say, "Okay, I hear you, recordkeeper. I know what you wanna do in terms of the communication, but how do I quarterback that?" We're getting the results we want out of it, which is people accumulating retirement wealth, and then using that retirement wealth properly, so that they're not running out of money or underspending on the back.

- Kera?

- [Kera] We do have one more question.

- Okay.

- [Kera] I just moved it, sorry. Okay, if CAPTRUST is your third-party investment advisor, do we, as the plan sponsor, have access to the CAPTRUST's monthly or regular communications? Is this something that we have to contract specifically for?

- I'm trying to think the appropriate answer for that.

- Right.

- Well, it's part of the service that we provide, that we would provide.

- Yeah, that would be a takeaway for us, that we would probably approach them off-line. I think there's probably some content that we certainly are willing to provide on some periodic basis, but that's part of the overall financial coaching advisory services offering.

- [Kera] Wonderful, thank you. We don't have any more questions at this time.

- All right. So we've talked a lot about what to do. We've talked about the best practices of what you should do with your communication. Now we wanna just kind of switch reels a little bit and kind of look at some of the opposites of best practices. Some of the things that you don't wanna do. So we could go to that next slide to show some of the don'ts, which would be the opposite of the best practices, what not to do. And this is really very important. I mean, you saw about people, the emotions of investing, and you wanna always leave people. You always wanna leave people with hope and it's not that you're giving them a false narrative. What you wanna do is that you wanna be realistic and you wanna tell people. The market is up. Sometimes it's down. Sometimes it's up. Historically, we've seen recovery after time of market declines. We can look historically. We all know that past performance is no indication of future performance, but we know that things change and there's this up and this down, so when we're looking at market volatility in that kind of thing, we don't wanna overemphasize the negatives. We wanna just make sure we're giving honest information, but always end it with, there is some hope, and there's some positivity in making sure that the decisions that you're making as it relates to your retirement plan, that you're making prudent decisions, which is just so important to make sure you're reaching out to an advisor. So that's what I would say about that, about one of the don'ts. What do you have to say about that, Barry?

- Yeah, I would just say, be factual. I mean, obviously, it's important to be factual when you're providing communication, especially in this volatile period, making sure that they, again, have a clear path for resources that they can talk to, but yeah, we don't wanna overemphasize the negativity in the marketplace, because this is a long-term investment vehicle, and so we'll need to focus on the long-term.

- Mike?

- And for me, simplicity is really the one to drive on this page. I can't tell ya. There are terms that we take for granted as the advisor community, in the plan sponsor community, participants have no idea, because it's not their field. We're in this field. They're not. They have an expertise of their own. And you may say, well, yeah, obviously I know not to use jargon with them, but even things like target date fund. There's some people target date fund doesn't resonate. They don't have any idea what a target date is. Glide path, not surprising number of, what may be a surprising number of participants to you, glide path is something a pilot has when they're flying an airplane. It's not an investment term. So you really need to understand that, and I think the best way, a little trick that I know we use is, before you send out that really big important communication that you really think is gonna engage your participants, hand it to someone in your office who doesn't have a background in this stuff, in retirement at all, just to, would look at it as a participant. You'll be very surprised, they'll say, "I don't understand this, and I don't understand this," and that feedback is gold. Absolute gold on to getting people to engage something, 'cause you may think you wrote the world's. I do it all the time. I write. That's what I do for, part of what I do for living. You may think you wrote the absolute best thing of all time and you're in for a rude awakening when you get somebody. I'll just hand it to somebody who doesn't know, is not retirement expert and they'll be like, "This is terrible."

- Right.

- Well, there are things that we can't avoid. There's certainly some requirements when we do.

- Right.

- Certain fund changes, et cetera, that we need to send out to participants and the communication is just the communication, so any opportunity that we can simplify it, the better. I think that's the point.

- Yeah, and I have to put my fiduciary hat on unfortunately, and I've written articles on this. I read my own fee disclosures for my own plan. They are not light, interesting reading.

- Yeah.

- But they do have things that we have to put in there and, now, it doesn't mean we can't put more. Now, sometimes we kind of give up and say, "Hey, that's just gonna be boring." And the participants just have to eat it. And I would say to you like sometimes just summary plan descriptions are one for ERISA plans. That's a tremendous, to me, summary plan descriptions are a tremendous opportunity to create an engagement tool of your business. Even though there's required language in there, you can make it. Doesn't mean you can't make it pretty. You can't make it fun to leap through. Or fun to scan through electronically. So there's opportunities there too, but I agree with you 100% Barry. At the end of the day, we have to use certain terms, but I think there are other ones that get used all too much. I would even challenge you Barry and Debra, sometimes the word retirement is not the right word for certain folks.

- Right.

- I have experiences with a lot of people where that's something off in the distance, whereas financial independence or financial freedom is something that will motivate them to save. And I don't care how they save in the retirement fund. I just want 'em to save. If they save because they think retirement's a great word, then let them do that. But if they think I'm gonna save because I wanna be financially free someday, let them do that as well. So that's the only point I was saying, Barry, is that you do have to conclude the facts, but I think we can always include a little extra sometimes around the facts just to make it something that someone will wanna pick up instead of just throw away.

- Yeah.

- Right, and you can always, and it's always nice to have a legend. It's always nice to have a glossary of terms that you're adding and you know that if there's some financial jargon, that could be misconstrued. Are you really not sure what that means, and it's always easy just to add a small legend to say, what is a deferral? It's your contributions. Or what is this? Or what is that? And you can always add that, oh my gosh, I'm looking at the time. What do you have? Do you have any other questions that's coming in Kera?

- [Kera] I do Debra. In relation to all of the different types of communication we've been talking about, we have a question that says, how do we distinguish between information, education, and advice? As a plan sponsor, there's a line between education and advice that can get blurry. How do we stay in our lane, but do more than just send basic information?

- So it's kind of been, gosh, I've been in this business for over 20 years plus, and it's kind of been an evolution. I think when I first started in this business, it was just education. It was really just kinda helping people to understand what is a 401 ? What does that mean? What is a 403 ? What is a 457 plan? What do those numbers mean? What is all of that? It was really just kind of educating us to what the product was, and what this is, this retirement plan that you're saving for, and so once people kind of got a grasp of that, then it became that education, it kind of led into telling people about how much money you needed to set aside and how much money you needed to put in to try to get your goals, hit your goals. And then from there, it tipped over into advice, and so education can take you up so far. Education is not going to move the needle. Education is just gonna take you to a point, then it takes you to advice, and then that advice, it usually should probably come to an independent, from an independent source, as to what that advice is. And it depends on what the advice is. Is the advice increasing your contributions, or is it the advice investment advice? So you have to determine which advice are you speaking about when you're looking at, if it's an investment advice that you need a third party to come in there and help with that investment advice, because that is what moves the needle, and then you coach. Coaching is the new term. And after you've gotten that advice, then that coach is going to lead you into the point where you can execute the advice that has been given. But as a plan sponsor, you're trying to make sure you have all of these entities in place, so that you can not only educate, lead them to the advice and then help them execute, because ultimately, the goal is to get them to a fully funded retirement. Barry, Mike.

- I was gonna defer to Mike so.

- That's fine. Well, putting the fiduciary hat on, of course, the heart of the question is, the plan sponsor, I can't give investment advice. Yeah, of course you can't, but you can, and this is why the DOL, the Department of Labor, and I won't worry everybody with fiduciary stuff, but this is why the Department of Labor specifically has, as part of their fiduciaries, a fiduciary is someone who provides investment advice for a fee. So the reason why they all had that in there is they knew the plan sponsor can't do it, so they've gotta outsource it. So we would encourage you on the participant level to find somebody who's an independent fiduciary advisor, whether it's CAPTRUST or someone else, to provide that information. Don't leave it in the hands of your recordkeeper. They're not gonna be, even if they say they're an advisor, they're not gonna be providing fiduciary advice anyway in 99% of the cases, and obviously, you can't leave it up to yourself. But I would say you could do an awful lot that's not investment advice. And remember, what's the primary goal? To accumulate retirement wealth, right? We want everybody to save. We want the young people to save. That first $10,000 is not getting in there, which is that critical $10,000, by the way, for everybody to get in there. It's not getting in there with any much of any help of investments at all. It's getting in there with participant contributions. So you gotta get 'em to contribute. A lot of investment mistakes are forgiven because and I'll use my own example, because I started in my 20s, and I've saved for a long time. A lot of it, I think people sometimes get too hung up on the investment part of it. Sometimes their retirement is like, committee's even called an investment committee. And we just spent too much focus on the investments without realizing that, but the vast majority of people out there, the gap is not investments. The gap is in savings. So we just really need to drive that home, and you don't need to be, there's nothing in ERISA or anywhere else that says, as a plan sponsor, you can't try to engage people to save as much as they possibly can in retirement. That's in a ERISA plan, that's part of your core fiduciary duty to act in the best interest of participants and beneficiaries. I can't think of a better way to do that than to make sure they all have created retirement wealth for themselves.

- I think that's where a lot of this becomes, this kind of bleeds into plan design and certainly auto features works. I mean, so automatic enrollment, auto escalation, those types of things from a plan design perspective, certainly eliminates some of that barrier to entry. We've seen where if you do, if you have auto features, about 85% of the employees, it's a stick rate of 85%, so most people will go into the plan. That's not for every plan sponsor, not every plan sponsor can afford that, but if they can't, then I think it's even more critical that we encourage every chance we have for participants to get on that journey, as Mike has alluded.

- I don't know if I've ever been in a webinar with so many questions, which is wonderful. I'm so glad that people are engaged. Just like we would expect the plan sponsors to engage their participants, so this is right along that line.

- Well, and I think the third one, Debra has reinforced that several times during our discussion here, but if you do surveys, which we do encourage surveys. You solicit feedback, whether that's a formal survey or not, depending on the type and the population of your organization, but if you do solicit feedback, use that feedback and modify, acknowledge the receipt of the feedback. And that'll go long ways into the next communication but might have more apt to review it and actually act upon it.

- You know, Barry, Mike, we could talk about this, this is what we live and breathe in. We could talk about this for hours upon hours. We're coming up on time, so I wanna leave some of the key takeaways. Oh my gosh, I just appreciate all of the engagement, but let's look at these takeaways. It's kind of what we've said earlier. You wanna know your employees. Keep your participants aware of what's coming down the pipes. You wanna be proactive, communicating what the next steps look like. You wanna request, accept, utilize the feedback that you have gotten. So anything that you wanna add as a closing remark, Barry, that you would like to leave, in addition to these takeaways that you would like to leave with the plan sponsors?

- I guess the one thing is not only knowing your employees, but thinking about your employees perhaps a little bit differently. The early career, the midcareer, or the late career employees and target the message specifically to them. So the current market that we're in clearly, we should be targeting those that are within a particular window towards retirement, so not only knowing your employees, but using that to further enhance the plan and further enhance your communication efforts.

- One closing thought, Mike. You have one closing thought that you would like to leave?

- Right on Barry. That know your employees is not as easy as it sounds. I'm a 50-something, and guess what? Everybody tells me that I open a lot of my mail, that I love to chat on the phone with customer service reps. And that I like in-person meetings. I don't really like any of those things. I prefer technology. I prefer chat. I prefer email. So don't, in that know you employee, you really gotta sometimes get under the hood a little bit, because what I present, a 50-something financial advisor, may not be what the demographic data says that how I'm going to behave.

- Absolutely. Wow, thank you so much. This has been wonderful. I can't believe that we're already at the hour. Thank you so much to everyone that participated on behalf of CAPTRUST. We really appreciate the time that you took to spend with us this hour, asking all of your questions. We really appreciate that. Thank you so much for your time. This has been a great day, and we are going to give you back five minutes of your time. Bid you a pleasant farewell. Enjoy the rest of your day, stay safe, and we will see you next time.