



Risk & Insurance | Employee Benefits | Retirement & Private Wealth

# Thriving Through Uncertainty:

## Adapting to Market Volatility for Retirement Plan Success

Presented by Kim Cochrane, Wes Previant and Fred Reish



# Agenda

- 1** Market Volatility and the Current Climate

---

- 2** Evolving Participant Needs

---

- 3** Boosting Engagement and Deferrals

---

- 4** Fiduciary Duties and Risk Management

---

- 5** The Role of Education and Long-Term Trends



**Moderator**

**Kim Cochrane**, QPA, TGPC

---

Director, Client Services  
HUB International



**Wes Previant**, CFP® CPFA®

---

Executive Vice President  
HUB International



**Fred Reish**, Esq.

---

Partner  
Faegre Drinker Biddle & Reath LLP

# Economic Uncertainty & Market Volatility



## Current Economic Context

- Persistent inflation and high interest rates
- Global instability—conflict, elections, trade policy shifts
- Rising cost of living straining household finances

## Effect on Retirement Plans

- Participants delay retirement or reduce contributions
- More frequent plan loans and hardship withdrawals
- Increased emotional decision-making
- Pressure on sponsors to offer more financial wellness support

## Actions to Take Now

1. Communicate market context to ease participant fear
2. Review investment lineups for appropriateness and risk tolerance
3. Promote consistent saving habits through auto features
4. Equip employees with access to financial education and coaching

# The Shift in Participant Needs: Demand for Stability

Employees increasingly want dependable income solutions.

## Participant Expectations



- Participants are increasingly **seeking financial security**, especially near retirement.
- Higher demand for **dependable income solutions** within retirement plans

## In-Plan Income Options



- **Annuities:** Insurance-backed, guarantee lifetime income
- **Managed Payout Fund:** Mutual fund structures that provide scheduled payments
- **Other Lifetime Income Products:** Custom solutions, such as target date funds with an income sleeve

## Strategic Approach



- Customizing plan design to include in-plan income options
- Evaluating workforce demographics to determine appropriate income options
- Communicating the value of income solutions to increase engagement

# Driving Participation & Deferral Rates Amid Uncertainty

## The Goal

Encourage consistent deferrals and active engagement—even in times of uncertainty.

## Challenges in Today's Climate

- Market volatility may lead to participant hesitation
- Economic uncertainty often results in decreased contributions or early withdrawals

## Strategies to Drive Participation

- **Auto Features:** Auto-enrollment, auto-escalation, and re-enrollment help keep savings on track
- **Digital Education:** Interactive tools that help participants understand the long-term value of staying invested
- **Personalized Coaching:** Access to one-on-one guidance to increase confidence in retirement planning

# Investment Quality & Risk Management

**Are your investment options still aligned with participant needs?**



## Core Investment Factors

- Rebalance portfolios regularly to maintain appropriate risk levels
- Ensure glide paths still align with participant demographics
- Promote diversification to help reduce exposure to market swings



## Guidance to Strengthen Your Lineup

- Conduct investment reviews and fund lineup analysis
- Benchmark fund performance and cost-effectiveness
- Review alignment with plan goals and participant needs
- Maintain fiduciary documentation, including investment policy statements



## Viewing Through a Fiduciary Lens

- Evaluate risk, cost, and performance with care
- Document decision-making to support fiduciary oversight
- Foster transparency and alignment with regulatory expectations

# Understanding Today's Fiduciary Environment

## Evolving Regulations

- SECURE 2.0 is introducing new responsibilities for plan sponsors.
- Key areas include lifetime income illustrations, expanded eligibility, and simplified notices.

## DOL & Enforcement Trends

- The Department of Labor is increasing scrutiny on plan fees, prudent investment processes & fiduciary governance.
- Sponsors must show they are acting in participants' best interests.

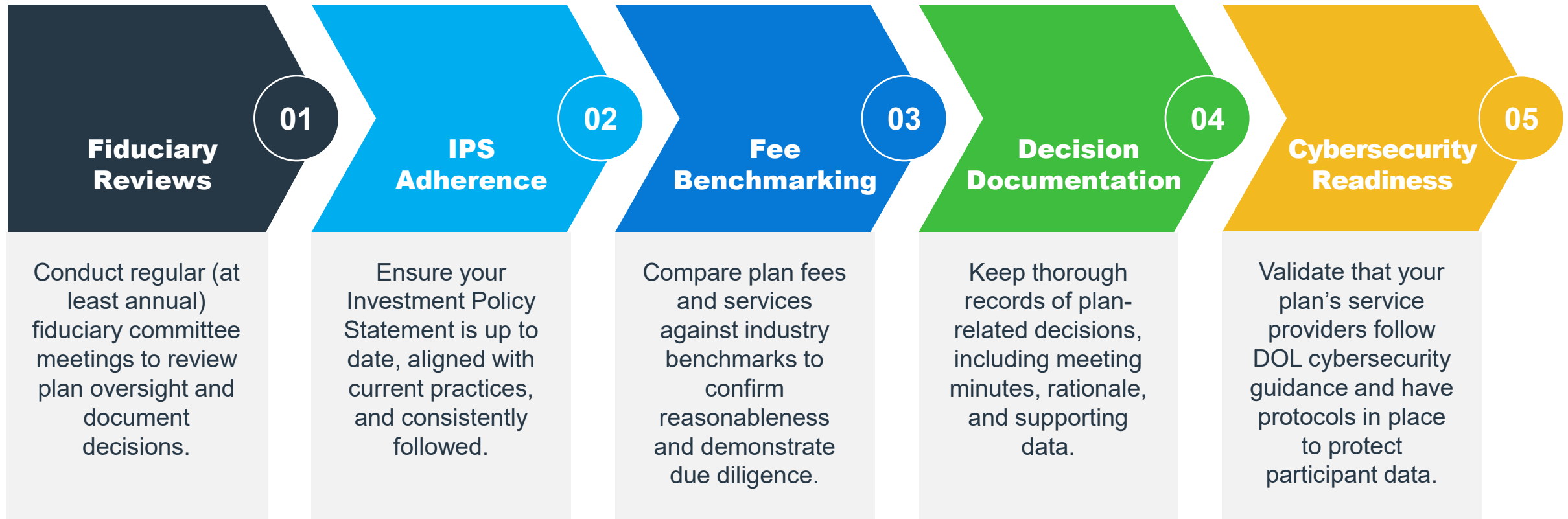
## Cybersecurity

- Data protection is now a fiduciary responsibility—not just an IT concern.
- The DOL expects sponsors to vet vendor protocols and document their cybersecurity practices.

## Oversight Standards

- Fiduciary oversight is under a microscope as responsibilities expand.
- “Document, deliberate and defend” is the new benchmark—formal processes and records are essential.

# What Plan Sponsors Should Be Doing



**As fiduciary expectations rise, proactive oversight becomes essential.**

# Education is Key: Building Trust & Understanding

## Why It Matters

- Participants often misunderstand income solutions like annuities.
- Lack of knowledge leads to hesitation and underutilization.
- Plan sponsors need clear, engaging tools to drive understanding and trust.

## Education for Plan Sponsors

- Guidance on selecting and evaluating income options.
- Help interpreting regulatory updates and plan obligations.
- Peer benchmarking and fiduciary education resources.

## Participant-Focused Tools

- Personalized digital content and calculators.
- Financial coaching and live education sessions.
- Clear communication on the value of income products.

# Industry Momentum & Future Trends

## Growing Adoption of Retirement Income Solutions

- Recordkeepers and asset managers continue to expand in-plan income offerings.
- More plan sponsors are exploring ways to offer lifetime income.

## Technology Integration

- AI-powered tools helping tailor participant communications.
- Digital platforms streamlining benefit access and engagement

## Shifting Expectations

- Employees expect more from workplace benefits: personalization, guidance & security.
- Employers are seeking holistic solutions that align with workforce goals.
- Consider Advisor Managed Accounts for a personalized solution

## HUB's Commitment

- Monitoring the market to guide clients through change.
- Developing forward-looking strategies tailored to each employer's needs.

# Key Takeaways

**01**

Market volatility demands proactive retirement plan management.

**02**

Income security is top of mind for participants—solutions are evolving.

**03**

Fiduciary oversight must adapt to meet new regulatory expectations.

**04**

Participant education and engagement remain mission-critical.

# Thank you

---

For more information, visit [www.hubinternational.com](http://www.hubinternational.com)

*The views expressed in this presentation, Fred Reish, are the speaker's own and not necessarily those of Faegre Drinker. This material was created for educational and informational purposes only and is not intended as ERISA, tax, legal or investment advice. If you are seeking investment advice specific to your needs, such advice services must be obtained on your own separate from this educational material.*

*HUB Retirement and Private Wealth employees are Registered Representatives of and offer Securities and Advisory services through various Broker Dealers and Registered Investment Advisors, which may or may not be affiliated with HUB International. Insurance services are offered through HUB International, an affiliate. Consult your HUB representative for additional information about the provision of specific securities, investment advisory, and insurance services.*

