



ALPHA POINTE CAPITAL

Is Covid Impacting your Retirement Plan? Part 1

I'm tired of hearing about Covid as much as you probably are.

But, when I observe a situation that I feel needs to be brought to people's attention I'm going to do it.

Today's On Pointe is Part 1 of a series of bulletins that will share experiences companies are having as it relates to their retirement plans because I'm finding that the pandemic is bringing to light some very interesting problems.

The first is employee education.

So you've done your part... offered a plan so your employees might be able to conveniently save money for their retirement. You've satisfied your fiduciary obligations so everyone should be good right?

Maybe, maybe not, and definitely not.

Not only have all of us witnessed another stock market crash but we're all dealing with a pandemic which is new for all of us. This can cause a lot of confusion and even more so for those that are inexperienced or allow their emotions dictate their financial decision making.

Your employees could be making financial decisions that might jeopardize the purpose for having a plan in the first place. Especially since I've found that most financial mistakes are made when decisions are made under duress.

Sometimes this confusion can be contagious. Financial fear and misinformation could be spreading to employees you would have thought would have not been susceptible to a negative mindset.

How do you combat this?

Education.....

Education can encompass many things but the more quality financial/retirement education your employees can digest might help them be more productive at their jobs and might also help keep them with you especially during these critical times.

Here are a few broad topics I've shared with clients....

1-How to invest in volatile markets.

2-Yes the CARES Act helps you access your retirement funds, but should you?

3-Stress test your retirement... and other ways to keep on track.

4-Using the basics of retirement planning might be all you need to stay on course.

There are many other topics but I like these topics as they go a little beyond the traditional 401(k) educational meeting. I'm seeing the companies who use us to coordinate more holistic type financial education are finding positive feedback, in some cases even seeing increased participation in their plan.

What are you doing for participant education during these strange times?

Take care!

Employer looking to upgrade or setup a plan visit

<https://www.alphapointecap.com/alpha-401k-services.htm>

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