

January 15 401(k) Real Talk

1. Mariner adds \$292 billion advisory firm <https://www.wealthmanagement.com/ria-news/mariner-adds-292b-institutional-consulting-firm>
2. Cerulli predicts a boom in micro DC plans, drawing in more wealth advisors <https://www.wealthmanagement.com/retirement-news/cerulli-financial-advisors-sell-more-retirement-plans-micro-dc-market-grows>
3. Job market crushes experts' expectations in December <https://www.nytimes.com/2025/01/10/business/economy/jobs-report-december.html>
4. Pontera partners with Hightower <https://www.prnewswire.com/news-releases/pontera-and-hightower-to-deliver-enhanced-financial-advice-through-secure-seamless-management-of-client-401ks-302344269.html>
5. How AI, remote working are boosting productivity <https://www.wealthmanagement.com/rpa/how-ai-remote-work-are-boosting-productivity>

Worth reading/listening/noting:

1. Critical developments in wealth management AI <https://www.wealthmanagement.com/technology/2024-year-review-ai-wealth-management-accelerates>
2. More PE firms interested in advisory practices <https://www.pionline.com/defined-contribution/retirement-plan-adviser-firms-flourish-private-equity-interest-grows>
3. PE industry hopeful that Trump will open gates to DC plans <https://www.investmentnews.com/retirement-planning/pe-industry-hopeful-about-401ks-in-second-trump-administration/258787>
4. Urgent need for talent in financial services industry <https://www.napa-net.org/news/2024/12/an-urgent-need-for-401k-and-financial-services-talent/>
5. Why some firms are hiring in-house financial planners <https://www.pionline.com/defined-contribution/employers-opt-house-plan-advisers-ensure-unbiased-advice-and-no-sales-pitches>

Greetings & a warm welcome to this week's edition of 401k Real Talk – hope you and yours had a happy and healthy holiday. This is Fred Barstein contributing editor at WealthManagement.com's RPA omnichannel and CEO at TRAU, TPSU & 401kTV - I review all of the past week's stories and select the most important and interesting ones providing open honest and candid discussion you will not get anywhere else. So let's get real!

Mariner, a leading RIA aggregator, is leaning into the institutional market announcing [the acquisition of \\$292bn Cardinal Investment Advisors](#) on the heels of the \$109bn Andco deal. All tolled, Mariner will boast \$550 bn.

Cardinal focuses on investment consulting for insurance and healthcare companies as well as retirement plans, foundations and endowments.

Another RIA aggregator, Hightower announced the completion of their deal to buy institutional investment consultant NEPC with \$1.6 trillion.

Why are retail advisory firms interested in institutional shops? While access to participants may be part of it, the main reason seems to be their ability to offer more

institutional investment services to retail clients leveraging scale to get better pricing and gaining access to alternative investments like PE. This new take on convergence of institutional and retail will likely force other aggregators to look for institutional partners and visa versa.

A new Cerulli report plus a survey with 24 record keepers [predicts that micro DC plans](#) will grow to over 1m in a decade with more wealth advisors expected to participate. Most record keepers expect more plans to be sold by non-specialists to accommodate the growth.

The boom in smaller and start up plans is a result of government mandates, tax credits and the expectation by workers that their employer will offer a savings plan. While most RIAs will not become RPA specialists, many see opportunities to better serve wealth clients keeping other advisors out while mining for new opportunities perhaps leveraging AI to provide financial planning to the masses while outsourcing service and the Triple Fs.

All of which will further heat up the convergence of wealth, retirement and benefits at the workplace.

The [December job growth](#) smashed experts' expectations with 256,000 new positions while unemployment decreased to 4.1% with more people finding jobs rather than fewer people looking.

The market tumbled on the news as the Fed seems less likely to cut interest rates. The Biden administration has presided over an average of 355,000 new jobs/month - some are questioning how Trump's expected immigration and tariff policies will affect the job market.

Either way, the need for businesses to use benefits to recruit and retain workers continues causing companies to rethink and adjust benefits.

Regardless of the Fidelity announcement not to allow advisors to use Pontera on their platform and questions by state regulators, Pontera keeps signing up new firms like the [recent partnership with Hightower](#) and 3 others in Q4 alone including Commonwealth.

Though cyber security is top of mind for record keepers and regulators, the need and desire for DC participants to allow their advisors to manage their retirement plan assets is palpable and using a firm like Pontera hyper

focused on security only makes sense but is better than the alternatives.

There have been unprecedented boosts in productivity recently for US business due to AI and remote workers. According to the Department of Labor, there was a 2% increase in productivity in Q3 compared to last year which is the fifth quarter in a row of at least 2% increases not seen since the 1990s due to the advent of computers and the internet.

Read my recent [WealthManagement.com article](#) about how benefits of all kinds, including retirement, will have to adjust to accommodate and not only keep up with the changing workplace but also help boost productivity gains.

So those were the most important stories from the past week. I listed a few others I thought were worth reading covering:

- [Critical developments in wealth management AI](#)
- [More PE firms interested in advisory practices](#)

- [PE industry hopeful that Trump will open gates to DC plans](#)
- [Urgent need for talent in financial services industry](#)
- [Why some firms are hiring in-house financial planners](#)

Please let me know if I missed anything or if you would like to comment. Otherwise I look forward to speaking to you next week on 401k Real Talk.