

December 11th 401(k) Real Talk

Greetings & a warm welcome to this week's edition of 401k Real Talk. 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 anyway else. So let's get real!

Though the job market is cooling, 50% of American workers are looking for a new position according to a Gallup poll with 20,000 workers in November which is [the highest percentage since 2015](#).

Poor job satisfaction is blamed on low raises, fewer promotions and the demand by many companies for workers to return to the office.

Just 18% are extremely satisfied with their jobs down 20% from a year ago. People are being asked to do more with less as positions like HR professionals are not being replaced.

With few firms deploying temp workers, benefits, especially retirement plans, become even more important to recruit and retain workers.

Speaking of the job market, November's 227,000 job growth up from just 36,000 in October muted by hurricanes and the Boeing strike is [a return to normalcy according to some experts.](#)

Unemployment was up a tick to 4.2% while wages grew 4% year over year. The workforce shrunk by 400,000 over the past 2 months.

Regardless, many are calling the job market very competitive as companies await to hire watching whether the Fed will lower interest rates which might be put on hold to see if tariffs are imposed by Trump and how they affect inflation.

In a study requested by Congress, the GAO reported that fewer than 1% of plans and participants are using cryptocurrency while [echoing warnings by the DOL about its use in DC plans.](#)

The GAO characterized crypto as uniquely volatile even more than individual stocks as its value is based on sentiment not data or results.

More likely, crypto will be accessed through brokerage windows or in professionally managed investments just like alts, not as a standalone investment. The current SEC nominee and the Trump administration is expected to be more crypto and alt friendly.

Celebrating its one-year anniversary, the Portability Service Network which includes 6 of the largest DC record keepers [announced that 15,000 plans representing 5 million participants have signed up.](#)

Focused on automatically transferring small balance accounts, the PSN is a milestone as record keepers have finally come together to create a data protocol which could lead to further cooperation safely sharing data while facilitating retirement income.

Created by the Retirement Clearing House, the 6 current record keepers comprise the board and are inviting others to join.

Though the wealth management market is much larger than DC plans attracting 20x more advisors with the retirement industry burdened by a complex food chain

and heavy regulations, the 401k market may offer more long-term opportunities with 80 million participants, 97% of whom do not have an advisor.

Read my recent [WealthManagement.com column](#) about how the DC market, especially RPAs and record keepers, may be better positioned long term to grow as 401k plan formation is exploding while technology and AI should be able to bring advice to more people.

In my [recent LinkedIn Poll](#), I asked about RPA due diligence and RFPs. 81% indicated that plans should conduct independent due diligence while 10% think benchmarking is sufficient and another 10% believe that their current advisor can be used. None indicated that there is no need for plans to conduct due diligence.

Touchy subject for advisors but critical for plan sponsors waking up.

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

- [Prognosis on ERISA litigation in 2025](#)

- [Summary of 2024 fiduciary landscape](#)
- [More crypto-friendly SEC chair nominated](#)
- [How to maximize the match](#)
- [Allianz partners with Empower](#)

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.