Face to Face

Jeff Acheson, Schneider Downs Wealth Management Advisors

A recent interview with Jeff Acheson of Schneider Downs Wealth Management Advisors provides an understanding of his firm's unique approach to serving clients in the retirement plan market.

Delivering a better retirement outcome for every plan participant ultimately helps achieve an important social goal, in the view of Jeffery Acheson. "We drill down to the level of each participant and provide retirement planning guidance and investment advice that's customized to that individual," Acheson says. "Helping people plan for retirement is not only a business venture for our firm, but it's also an opportunity for us to help contribute to a broader social goal for our country."

As a Partner with Schneider Downs Wealth Management Advisors with offices in Columbus, OH, and Pittsburgh, PA, Jeffery Acheson is in charge of the firm's Retirement Plan Solutions (RPS) division. He has more than 30 years of experience in helping clients build wealth through various qualified and nonqualified retirement plans, with a special emphasis on 401(k) plans.

What trends do you see in the DC marketplace?

The biggest trend I see is the realization that retirement plans can't continue to do business as usual. That approach is failing to provide the type of retirement security that people need from their primary private income source. Going forward, there is a realization that we have to move 401(k) plans away from being savings plans toward being true retirement plans.

What challenges are plan sponsors facing?

Plan sponsors have the same challenge that participants face — apathy and procrastination. They know they need to pay more attention to their retirement plan, but they're too busy with other aspects of their business. It's just not a huge priority for them, but it should be. So they procrastinate about doing the things they should be doing as a fiduciary.

That's no different than the plan participants, who know retirement planning is important, but to them, it's somewhat of a mystifying topic. So they become apathetic and procrastinate. As a result, 401(k) plans just aren't living up to their potential.

How do you use plan design to help sponsors overcome those challenges?

One approach is the tried and true method that everyone's using, which includes things such as auto enrollment, auto escalation, and employee education.

But at the end of the day, we really have to drill down to the level of each participant and provide retirement planning guidance and investment advice customized to that individual, but delivered through more of an automated process. We're in the initial stages of implementing a process in which each participant has a personalized roadmap to retirement independence.

How does your firm differentiate itself from the rest?

Among most of our plan sponsors, the first question they ask us is, 'What do you do with your own company plan and your participants?' Our response is that we use our 401(k) plan as the model for our solutions — the options and benefits and approaches for implementing a successful 401(k) plan are methods that we've used ourselves. Plan sponsors can trust that we're not experimenting on them with anything we haven't tried successfully ourselves.

What problems do you solve for clients?

There are a lot of complexities in running a retirement plan, and we help them to ease the headache of handling those responsibilities. For example, we don't shy away from taking on their fiduciary responsibilities. We can be either in a consultative role, or if they want to offload and transfer most of those responsibilities, we're in a position to take on that responsibility and allow them to go back to focusing on their business.

Another dilemma facing plan sponsors that we help them solve is when they come to the crossroads of human and financial capital. They are faced with the question of how to find the proper balance, because companies have to be profitable and stay in business, but they also have to create an environment where they attract and retain quality people. So they've got to find the right balance.

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That's where we come into play at that intersection, to help make sure they don't take a left turn or a right turn. The goal is to find the balance that enables human and financial capital to come together to create an environment that benefits everyone.

If you could share one piece of wisdom with plan sponsors, what would it be?

Plan sponsors should take their responsibilities seriously. They are in a position of trust, and participants in their plan are depending on them because of their expertise. At the same time, sponsors should know their limitations, and know that they're not an expert in this area. They should look to a firm they can work with that will take care of their employees as if they were their own.

How do you define success in this business?

The successful retirement plan is one that replaces income in retirement when you are no longer working. Our approach is to try to implement processes that track meaningful and measurable progress toward acceptable outcomes. The key is to track the demographics of the plan. In other words, are account balances growing? Are projected retirement incomes growing?

At the end of the day, measuring success is easy. And it's really in the plan analytics — for instance, do you have the level of participation, and are the deferral rates high enough to replace income in retirement? These are the ways you ensure that your plan will bring successful retirement outcomes.

What is your favorite part of the job?

For me, it's knowing I'm making a difference by helping people with something that's extremely important to them, but that they're also fearful they might fail at it. And the possibility of failure has tremendous consequences, because to go into retirement and face 20 or 30 years of living on a less than adequate income is a scary proposition.

In my view, helping people plan for retirement is not only a business venture for our firm, but it's also an opportunity for us to help contribute to a broader social goal for our country. It's very satisfying knowing that we're doing meaningful work by helping people accomplish something that's very important to the nation.

For more information about the Retirement Plan Solutions division of Schneider Downs Wealth Management Advisors, contact Jeff Acheson at (614) 586-7259, e-mail jacheson@schneiderdowns.com or visit www.sdwealthmanagement.com.

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