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 last 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!

In one of the largest revisions of job estimates ever, the DOL reported that there were 818,000 fewer jobs created than originally estimated from the 12 months ending March 2024 bring the average down from 242,000 to just 174,000 jobs. With a lower than expected 114,000 new jobs in July, not only is the war for talent officially over, there are now serious concerns about the job market which may lead the Fed not to lower interest rates as expected.

One of the largest segments affected by the downward revisions was business services and information.

How will all this news affect the use of benefits, especially retirement plans, to help recruiting and retention? Improvements and focus on DC plans are not likely to disappear as Fidelity recently reported match increases and plan sponsors are realizing that they can limit administrative work through 360 degree payroll integration and better tech and provider, advisor and fund fees continue to decline.

According the 2024 WTW Global Benefits Attitude survey conducted with 10,000 employees, more older workers are deploying phased retirement as the face of retirement continues to evolve.

34% of 50+ workers have started phasing into retirement through either reduced hours or less responsibility with the transition period lengthening. 46% expect to work past 70, up from 36% in 2022.

All of which could be a win for employers eager to keep experienced workers with strong client relationships and could be another reason to offer in-plan retirement income.

While auto features have helped more people save for retirement, according to a National Bureau of Economic Research study, it may not be as great as had been thought.

Previously, reports showed a 2.2% increase in contribution rates as a result of auto features while the new study shows just .6%.

The culprits include long vesting periods, leakage during job transitions and, surprisingly, those that are not auto-enrolled end up with higher contribution rates.

Still, no one is arguing that auto features are not good or do not work. We just may need to tweak them a bit to achieve better results.

It's always been assumed that record keeper fees are lower for plans with higher account balances but according to recent research by CEM Benchmarking with 123 plans and $1.3 trillion, the number of participants is more important.

With a 10% increase in participants, the fees drop 1.6%.

Because costs are based primarily on the number of participants, one explanation may be that providers see opportunities to leverage the convergence of wealth, retirement and benefits cross selling additional services to more participants.

What is brand, why is it important for financial advisors and how to create it.

Most advisors have been successful through a combination of sales skills, geeky knowledge and, if they have built a business rather than a practice, how to manage people, process and capital. Few understand or value brand in part because they do not know how to create one.

Read my recent WealthManagement column about the value of brand and how advisors can craft one.

And, last but not least, this week's LinkedIn Poll asked you what percentage of wealth advisors will increase their 401k/403b business in the next 3 years. The results were that 36% of you thought it would Increase significantly; another 36% thought increase somewhat; 14% no change; and 15% Decrease.

Look for my next LinkedIn poll on Friday.

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

How generative AI may affect financial advisors

Mercer’s PEP exceeds $3.5 bn

Guideline hits $15bn, and

Why state mandates drive growth of private plans

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.