



## Face to Face

StoneStreet Equity, LLC

An interview with Bob Goldstein, Barbara Delaney, and Heidi Sidley of StoneStreet Equity provides an understanding of their firm's unique approach to serving clients in the retirement plan market.

**StoneStreet Equity helps plan sponsors take steps designed to ensure that participants are able to retire with their target replacement income stream. “We need to find a way for plan sponsors and the participant to measure their progress toward their goals along the way,” says Bob Goldstein. Adds Barbara Delaney, “We are going to see a new emphasis on income replacement as a measure of retirement success.”**

As Principals at StoneStreet Equity in White Plains, N.Y., Bob Goldstein and Barbara Delaney bring more than five decades of experience to bear when working with retirement plan clients. A third member of their team, Managing Director Heidi Sidley, also is a financial services industry veteran with experience in domestic and global plan design support. StoneStreet Equity provides a complete spectrum of retirement plan services, including plan design support, investment consulting, fiduciary education, and vendor management and benchmarking.

### What trends do you see in the defined contribution marketplace?

**Goldstein:** Plan sponsors are focusing less on just enrollment and contribution rates and more on income and ensuring that they have reasonable income replacement ratios as a measure of participant success. There is a new emphasis among DC plan sponsors to ensure that participants are able to retire and also to help them manage their retirement income through life income options.

### What challenges are facing plan sponsors today?

**Delaney:** DC plan sponsors are feeling a challenge similar to what we see in the defined benefit world. Both types of plans need to ensure that participants have an income stream for life.

**Goldstein:** Clearly there is a higher level of scrutiny of plan sponsor standards in running their plans and selecting investments and managing fees. At the same time, sponsors are trying to improve participant outcomes at retirement.

### How about challenges facing participants?

**Delaney:** First, there is the fear that they may not have enough income at retirement. There also is the concern they are over managing their health care cost. As a result, we are seeing a more holistic approach toward educating participants about how they are going to save enough to meet these costs.

**Sidley:** A big challenge that participants face is inertia. Plans offer so many investment choices; it's difficult for participants to know what to do. Education and communication efforts can serve as a key driver to help participants overcome these kinds of obstacles.

### How does your firm use plan design to help overcome these challenges?

**Sidley:** Our firm's approach toward plan design support and education is to fine tune the plan features and education program to fit the participant demographics, whether they are financial services employees or factory workers. We leverage plan design features to try to increase their income replacement ratios and their savings rates.

**Delaney:** There are also some very new tools we are evaluating. For example, we are working with a firm that offers a tool for making educational programs available to new or young participants who are just starting out in the financial world and trying to cope with issues such as budgeting, buying a home, and planning for college costs. Instead of focusing only on investment choices, it's more of a holistic approach to help participants manage not only their 401(k) but also the various life challenges outside the plan, as well.

## What is your firm's greatest strength?

**Delaney:** The most valuable thing we can offer our clients is our perspective. With more than 30 years of experience in the industry, I'm able to share what I've learned from clients' mistakes. When a plan sponsor comes to us with a specific challenge, whether it's a compliance issue or a problem that needs resolution, we have the knowledge and experience to help them solve it in the most effective manner.

## How do you help plan sponsors meet their goals?

**Delaney:** We help our plan sponsors manage their retirement plan process and deliver a simplified strategy for their participants so that they can make the best decisions that will help them retire.

**Goldstein:** We listen to our clients and understand their priorities and risk tolerances. By listening and understanding their goals, we put together a program that will help them achieve those objectives.

**Sidley:** We are very effective communicators, so when there are complex ideas to present to a plan sponsor or to plan participants, we present them in a way that's easy to understand.

## How do you define success in this business?

**Delaney:** Success in this 401(k) world is determined by how successful the participants are going to be. We've never seen any generation retire off of 401(k)s yet. Looking ahead, we are going to see a focus on income replacement as a measure of retirement success.

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

**Goldstein:** Simplify. In the 401(k) industry, we've gone through a long history, from volumes of printed matter, to call centers, to Internet site daily transaction processing, all the time believing we were advancing our programs into the future. But we never really had a sharp enough focus on what participants were doing, and what their outcomes would be as a result.

Now it's time to focus on the plan participants. We need to find a way for plan sponsors and participants to measure their progress towards their goals along the way. They need to understand the steps they will have to take in order to stay on track to meet those goals. We need less paper and technology, and more of a simple message.

## What's your favorite part of the job?

**Sidley:** I enjoy helping to resolve issues and deliver results. When I can overcome challenges for plan sponsors, address their problems, and deliver results, it's very fulfilling.

**For more information on Bob Goldstein, Barbara Delaney, Heidi Sidley, and their team at StoneStreet Equity, call (845) 735-2000 or visit [www.stonestretequity.com](http://www.stonestretequity.com).**

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