> “Ultimately, the PEP model doesn’t replace the plan advisor—it elevates them.”

Unlocking the PEP Advisor Value Proposition

For retirement advisors, Pooled Employer Plans (PEPs) open the door to new growth opportunities—but they can also introduce a sense of uncertainty. Where does the advisor fit if their plans adopt a PEP that has already selected another 3(38) investment fiduciary? Will plan sponsors still recognize their value if they’re no longer acting as the central point of coordination among service providers?

The answer is clear: while the advisor’s role in a PEP structure may evolve, its importance does not diminish—it becomes more strategic.

PLAN SPONSORS NEED GUIDANCE

Plan sponsors are rarely “educated consumers” of retirement plans. They don’t speak the language of ERISA or the Department of Labor, and they’re often unfamiliar with the deadlines, terminology and nuances that come with plan oversight. In a PEP, the plan advisor remains a critical guide—serving as both confidant and interpreter. They help translate complex plan documents, provide context around the Investment Policy Statement, deliver insights during annual reviews, and highlight key takeaways from investment reports. In short, they bring clarity to complexity.

PROTECT THE PLAN ADVISOR RELATIONSHIP

At the same time, the PEP structure can offer plan advisors greater stability. In standalone plans, sponsors are frequently approached by competing advisors promising lower fees or better investment decisions—often without the incumbent advisor even realizing a change is underway until it’s too late. In contrast, the Pooled Plan Provider (PPP) is not seeking to replace the advisor, but to partner with them, and the other plan service providers. This alignment creates a more collaborative ecosystem, where each provider plays a defined and respected role.

MORE TIME WITH HIGH VALUE CLIENTS

Perhaps the greatest opportunity lies in how a plan advisor can spend their time in a PEP environment. Freed from many of the administrative and fiduciary burdens, plan advisors can focus on what matters most: building relationships. PEPs allow the plan advisor to deepen connections with business owners and executives—often the most valuable clients—delivering meaningful, personalized financial guidance beyond the retirement plan itself.

FREE UP TIME TO GROW & SCALE

For plan advisors focused on scaling their retirement plan business, the benefits are equally compelling. By offloading the operational complexities to the PPP, the advisor can dedicate more energy to prospecting, winning larger plans and expanding their footprint. Growth becomes more attainable when time is spent on strategy rather than administration.

WHO YOU WORK WITH MATTERS

Of course, success in the PEP space depends heavily on choosing the right partner. Advisors should seek a PPP with a proven track record and long-term commitment to the market. Stability matters—partnering with a provider that may exit the business in a few years can create unnecessary disruption and risk.

Equally important is selecting a PPP backed by a strong institution, not just an individual. Institutional support ensures the depth of resources, infrastructure and continuity needed to serve plans effectively over time.

And, as with any service provider, fees must be reasonable and aligned with the value delivered. The lowest-cost option is not always the best—but transparency and fairness are essential.

Ultimately, the PEP model doesn't replace the plan advisor—it elevates them.
By shifting the burden of administration and fiduciary oversight, PEPs empower plan advisors to operate at a higher level: as strategic partners, relationship builders and growth drivers. Those who embrace this evolution won't just adapt—they'll differentiate, expand and thrive in the next era of retirement plan advisory.

Let's talk.

For more information, please reach out to your AmericanTCS consultant or email info@americantcs.com.

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