



Defined Benefit 401(k)TM

Plan Consultant Overview

DefinedBenefit 401(k)TM

DB 401(k): A Strategic Opportunity for Plan Consulting Firms

From Accumulation Oversight to Retirement Outcome Leadership

Executive Overview

Defined contribution plans have succeeded operationally—but failed structurally at the moment that matters most: retirement.

Plan consulting firms now face a defining question:

Will we remain stewards of accumulation policy,
or evolve into leaders of retirement income outcomes?

DB 401(k) is a consulting-led, pension-replacement framework designed to help firms answer that question—and lead the next era of defined contribution.

It enables plan consultants to redefine success in DC plans around pre-defined, monitored retirement income outcomes, without adding employer liability or disrupting existing plan infrastructure.

The Structural Gap in Defined Contribution

Today's 401(k) ecosystem is highly optimized for:

- Governance
- Investment selection
- Fee benchmarking
- Fiduciary documentation

It is not optimized to answer the most important question participants face:

“How does this account become income I can’t outlive?”

As a result:

- Participants bear timing, sequence, and longevity risk alone
- Consultants are judged on market outcomes they do not control
- Retirement success remains undefined until it is too late

This gap is no longer theoretical—it is becoming a reputational and fiduciary exposure for the industry.

Why This Matters to Plan Consulting Firms—Now

Several forces are converging:

- Fee compression and RFP commoditization
- Recordkeepers expanding into advisory territory
- Automation and AI absorbing asset-centric functions
- Sponsors demanding evidence of “retirement readiness”
- Regulators and plaintiffs shifting focus toward outcomes

In this environment, firms that continue to compete solely on governance and investment oversight risk becoming interchangeable.

The next source of durable consulting value is outcome ownership.

What DB 401(k) Is—and Is Not

DB 401(k) is not:

- A product
- A recordkeeping system
- A mandatory annuity solution
- A plan redesign

- A retail advice program

DB 401(k) is:

- A pension-replacement framework
- An income-first planning architecture
- A fiduciary methodology for defining and monitoring outcomes
- A consulting-controlled overlay to existing plans

It allows consultants to help sponsors and participants:

1. Define a target retirement income
2. Translate that income into required capital
3. Monitor progress annually
4. Identify and correct underfunding early

Success is defined in advance. Progress is measured. Responsibility is shared.

The Strategic Value to Consulting Firms

Adopting DB 401(k) as a consulting framework enables firms to:

- Differentiate meaningfully in RFPs
- Elevate conversations from investments to outcomes
- Strengthen sponsor trust and perceived value
- Maintain relevance at retirement, not just accumulation
- Defend against commoditization and automation

Most importantly, it allows consulting firms to own the most consequential phase of the retirement lifecycle—the transition from work to income.

Risk Profile and Control

DB 401(k) is intentionally designed for low institutional risk:

- **No recordkeeper change required**
- **No investment menu disruption**
- **No employer balance-sheet exposure**
- **No forced product adoption**
- **Consultant retains framework ownership**

Implementation typically begins with a pilot population, allowing firms to evaluate impact before broader adoption.

This is evolution, not disruption.

The Industry Opportunity

Defined benefit pensions once defined retirement success through:

- **Clear income promises**
- **Ongoing monitoring**
- **Shared responsibility**

Those pensions are gone—but the expectation of retirement income security remains.

DB 401(k) allows plan consulting firms to reintroduce the discipline of defined benefit outcomes into defined contribution plans—without reviving defined benefit risk.

The firms that lead this transition will help set the next industry standard for retirement success.

Next Step: Exploring a Strategic Relationship

DB 401(k) is not seeking broad commercialization.

It is designed to partner with consulting firms that want to:

- Lead, not follow
- Differentiate on substance, not scale
- Shape the future of defined contribution

The logical next step is a limited pilot engagement to evaluate alignment, impact, and scalability.

Closing Thought

Defined contribution plans replaced pensions.

But the responsibility pensions once carried did not disappear.

The question is no longer *whether* the industry must solve for retirement income—

but who will be trusted to lead that solution.

DB 401(k) exists to partner with consulting firms prepared to take that role.

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