

Coming Fall 2018

Realistic Dream Starter Workshop

A prototype program...a new approach to 401k education

More of Your 35-Year-Old Employees Should Have \$75,000 401k Accounts – Not Your 65-Year-Olds.

80% of 401k plan sponsors **do not** believe most employees will be financially prepared for retirement. (Deloitte)

Yet 401ks **can** provide adequate – even generous – retirement incomes ... **if** early in their careers, employees:

- **envision** their desired income target,
- **contribute** the amount needed to pursue their target,
- **invest** wisely, and
- **spend** the account only for income that lasts their lifetime.

Dream Starter helps employees gain the essential **knowledge** and strong **motivation to do these things**.

The **Dream Starter** Workshop turns young employees into **retirement consumers** who want to learn how to **buy** their financial future. **Dream Starter** includes:

- **Retirement Adequacy Competencies** – specific descriptions of knowledge and behaviors that enable employees to **begin** the career-long **purchase** of the financial future they want.
- **Dream Starter Learning Materials** includes:
 - meeting invitation and contest entry sheet to get employees thinking about their future lifestyle dreams before the meeting,
 - a 60 to 90-minute, ‘live’ interactive meeting presentation delivered by trusted employees or retirees, and
 - ‘My Future Financial Lifestyle Price Worksheet’ a single-page sheet to help employees discover:
 - What’s the realistic price of my future lifestyle dream?
 - How much may already be paid?
 - How much is left for me to buy?
- **Future Financial Lifestyle Questionnaire** – a short, multiple-choice test that identifies which employees have acquired the **Retirement Adequacy Competencies**.

All education elements are linked to the competencies.

Saved too little. Started too late. These are the top regrets of many 401k retirees. And, for today’s young employees, these are what **Dream Starter** is designed to prevent.

A key goal is to get employees to put the expense of 401k contributions into their current budgets – perhaps in their personal finance app.

Unlike other approaches, **Dream Starter** does not tell young employees who are new to 401ks what to do or give them advice – terrible adult-education techniques. Rather, the **Dream Starter** approach uses Socratic questioning techniques to help them **discover** the key elements of defining and achieving the financial lifestyle they want.

The **Dream Starter** education program is designed to ensure employees have:

Defined their future financial lifestyle goal
...**without hearing the word ‘retirement.’**

Projected a dollar target for the future lifestyle they want
...**without replacement ratios or mortality factors.**

Estimated how much they should be contributing now to achieve their goal
...**without actuarial and financial projections.**

Gained the personal desire to save based on information they trust
...**without being given advice or told what to do.**

Acquired life-changing knowledge
...**without spending more than 90-minutes in a presentation.**

Learned that their future lifestyle is the largest purchase they’ll ever make – and they must start buying it now
...**without complicated worksheets or ‘black box’ computer programs.**

Determined how much money they may need so their income lasts their lifetime
...**without anything beyond 5th grade math.**

Developed the motivation to continue learning and to seek financial advice they trust
...**without feeling they’re being sold investments or financial planning.**

Discovered the power of compound earnings and the concept of diversification
...**without setting through a lecture aimed at making them investment experts.**

Tested on what they know about becoming a competent future income consumer
...**without plan sponsors remaining unaware if employees have the basic knowledge to make good initial saving and investment decisions.**

The Dream Starter approach provides two essential elements – the *passion* employees must have to achieve the future they want and the *confidence* to act on it.

Coming Fall 2018

Dream Starter Optional Elements

Train-the-trainer – five-hour session to prepare selected presenters to effectively conduct the meeting.

Single-sheet summary – specially prepared highlights of your 401k plan.

“Why Work Forever? Let Your 401k Work for You” – key information handout.

From Fred Reish, a nationally recognized expert in employee benefits law:

“...few fiduciaries...realize that ERISA requires that they evaluate the providers of investment education, understand the content and delivery of those services, and monitor the effectiveness and quality of the education – e.g., is it working?” *Plan Sponsor Magazine*, December 2005

Dennis Ackley, the inventor of **Dream Starter**, spent six years in educational research working on competency-based education and instructional design. He then switched to human resources consulting where he started writing pension administration manuals and summary plan descriptions. He went on to have a 30-year career developing employee benefit, retirement, and HR communication programs for hundreds of employers, reaching more than three million employees. He has written more than 50 articles and given dozens of speeches – many critical the retirement industry’s failed approach to 401k ed. After retiring, he developed a demonstration project, called **Dream Starter** to show a new, more educationally sound way to help young employees become successful 401k retirement plan users.

“The 60- to 90-minute **Dream Starter** workshop is a dialog, not a lecture,” says Dennis Ackley. “It presents most concepts as questions. And the group gets several pop quizzes. During the meeting, employees complete a confidential, single-page worksheet to estimate the price of the financial future they want. They also estimate the ‘discounts’ - the amounts they’ve already saved and their expected future benefits such as Social Security and any pensions. Their estimated future part-time work income is also a discount. They create their own realistic and believable idea of how much they should be contributing today to make their estimated ‘layaway payments’ to buy the future lifestyle they want.”

“**Dream Starter** is not like what you’ve seen before. And that’s good. Because other ‘retirement ed programs’ have failed.”

Dream Starter does **not** provide any type of advice. For employees who are naïve about the cost of retirement and the basics of saving and investing, providing unsolicited advice (telling) has been found to be ineffective. The innovative and entertaining **Dream Starter** materials incorporate adult-learning principles and uniquely simplified content from actuarial science and investment theories.

2018 Pricing

Pricing for a license is based on the number of employees under age 50 who are eligible for the 401k plan. The price includes all the components except the optional elements.

The minimum first-year license for employers with less than 501 employees is \$875. For employees up to 5,000, the first-year price is \$1.75 for each employee. For larger employee groups, please contact Dennis Ackley. The license for following consecutive years is 30% current year rate. A one-year authorized license agreement is required for each year the program is used. Any printing of licensed materials must be arranged and paid by the purchaser. Prices are subject to change.

A Binding Non-Disclosure Agreement that protects the copyright of the content and intellectual property is required before reviewing of licensing the program’s materials.

To learn more about the Financial **Dream Starter** Workshop contact:
Dennis Ackley at dennis@dennisackley.com