



FUND INTELLIGENCE



MUTUAL of OMAHA



Recordkeeper profile: Mutual of Omaha

Recordkeeper investing in programming, fiduciary services

Noah Zuss Monday 18th December, 2017 2:14 PM ET

Mutual of Omaha is focused on participant action, flexibility and fiduciary services to distinguish itself from competitors, **John Corrieri**, vice president of 401(k) product and distribution, told *FA*.

The firm has been fine tuning its year-old participant education program, *Imagine Retirement Right*, to improve retirement outcomes for workers through new programming to get investors more involved.

The program encourages participants to envision their successful retirement, rather than focusing on the mechanics of how to finance retirement. Because it is designed to get participants more heavily involved in their own retirement planning, the engagement specialists aim to motivate participants to sit down with their plan's adviser to create an action plan to improve their retirement outcome, Corrieri said.

Some of the program's early steps include conducting communication meetings that explain the 401(k)'s benefits, as well as meeting with financial advisers, he added.

The strategy has had some success, as participation among previously unenrolled employees jumped by more than 42% and retirement contributions increased by more than 39% in a trial, Corrieri noted.

Flexibility and strength

Flexibility is a priority for the company as the recordkeeping marketplace evolves, Corrieri explained.

The recordkeeper selects investments in its plan menu from a pool vetted by the firm's investment manager oversight committee (IMOC), in conjunction with **Callan Associates**, an investment management consultant overseeing more than \$2trn in assets. The goal is to create a rigorous process that is flexible enough to accommodate many types of investments, according to Corrieri.

Mutual of Omaha is also willing to personalize the investments for each plan sponsor and discuss co-fiduciary options, Corrieri said.

"Our program consciously looks for a broad range of institutional funds and managers, examining all available investment structures — [such as] mutual funds, separate accounts and collective trusts — to find the best fit," Corrieri said. "On a quarterly basis, the IMOC and Callan meet and monitor each of the managers to make sure they continue to adhere to the investment mandates for their style."

Fiduciary demand

Due to the **Department of Labor's** fiduciary regulation taking effect this year, the firm is investing in fiduciary services to bolster plan sponsors' investment selection and monitoring processes. Mutual of Omaha partnered with **Mesirow Financial** in 2007 for investment monitoring and selection, and in 2014 began offering 3(16) administrative services as well.

Because Mutual of Omaha does not provide proprietary mutual funds, the firm is more likely to skirt legal hot water into which several other firms have landed from self-dealing lawsuits ([FA, 11/22](#)).

Inside peek

Taking advantage of their scale, Mutual of Omaha has partnered with **Ascensus** as the recordkeeper for a \$4bn portion of the firm's assets. Corrieri leads the retirement business.

Reporting to Corrieri and supporting the firm's defined contribution business are **Kim Cangelose**, director of client services; **Tim Bormann**, product line director; **Mike Gentile**, director of investments; **Michelle Gibilisco**, director of marketing and participant experience; and **Patrick Bello**, national sales director. The firm employs

24 external salespeople, 10 internal, and 22 relationship managers and engagement specialists, Corrieri told *FA*.



Mutual of Omaha Total Assets

Small:

(Less than \$1m)

\$460,076,943

Medium:

(\$1m to under \$10m)

\$1,878,102,563

Large:

(\$10m+)

\$1,555,896,976



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