

CASE STUDY

Making the Switch: How Navalign Found Both a Provider and a Partner

Advisor

Navalign, a fiduciary wealth management and financial planning firm based in Los Angeles, recently selected Vestwell for their retirement plan conversion. But Navalign wasn't just looking for a retirement plan provider for their employees—they were also in search of a retirement plan *partner* for their 401(k) clients.

The plan was simple: they would try out a new recordkeeper with their own team first.

Stephen Rischall, CFP®, CRPC®, Partner at Navalign, explained, **"We were the guinea pigs."**

Stephen and the Navalign team were in the market for a comprehensive retirement solution with a tech-forward platform. If their trial run proved successful, they'd have real, valuable insights and a solid case to present to their clients who were looking to offer retirement benefits.

"Because we had a good experience with onboarding and our participants had a good experience using the portal, **we felt confident providing this solution to our 401(k) clients.**"

Stephen Rischall CFP®, CRPC®, Partner, Navalign

The Challenge: Find a Retirement Plan for Navalign's Employees – and Clients

As a firm providing comprehensive wealth management services, including retirement planning and benefits programs for businesses, Navalign had a clear-cut vision for their retirement plan provider and partner. Their search centered around 3 key features:

1. The ability for Navalign to keep its current investment selections.

Some recordkeepers only offer fixed investment options (consisting of proprietary investments) and provider fees paid through investments (via revenue sharing). This arrangement limits diversification and sets the stage for a potential conflict of interest, given that the provider could get paid more by recommending one fund over another.

When constructing a 401(k) menu for its clients, Navalign wanted to be able to base its decisions solely on the merit of that investment option—not the recordkeeper's profit margins.

2. Plan design expertise that enables highly compensated employees (HCEs) to contribute the maximum salary deferral.

Navalign needed a plan design that would support their employees in maximizing their retirement contributions, without worrying about passing compliance tests. The right plan would not only facilitate greater savings for these employees but also ensure that the firm's retirement benefits remained attractive and competitive in the marketplace—a necessity for retaining top talent.

3. A solution with more robust payroll integrations in order to simplify administration for Navalign's clients—and for Navalign.

When it came to streamlining retirement plan administration, Navalign knew that a provider that offered robust [payroll integrations](#) was the key to simplifying the plan administration process for their employer clients.

“We definitely wanted to have a deeper integration with our payroll,” Stephen said. This efficiency wasn't just a selling point for Navalign's clients; it would also allow Navalign to scale its services without proportionally increasing its workload.

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The Solution: A Tech-Forward Retirement Plan with Comprehensive Functionality

Vestwell checked all the boxes for Navalign, as a provider and as a partner.

1. Vestwell's platform is open architecture, allowing Navalign to keep its current investment selections.

"Because Vestwell is open architecture, we were able to retain almost all the funds that we were already using," explained Stephen. "We did make some updates, and that too was a pretty simple process."

This flexibility was essential not just for Navalign's own plan but also for their conversion clients. Because they're able to maintain their existing investment lineup, Navalign's clients enjoy a simplified conversion process as well as continuity in their investment strategies.

2. The plan's Safe Harbor feature enables Navalign's HCEs to maximize their savings.

Safe harbor 401(k) plans are deemed to pass tests such as the Actual Deferral Percentage (ADP) and Actual Contribution Percentage (ACP) by virtue of safe harbor employer contributions. These tests are required for traditional, non-safe harbor 401(k) plans. Bypassing these tests simplifies the administrative process for Navalign and helps them avoid penalties and other potential costs.

"The safe harbor plan design allows us to ensure that all the high-earners within the business can contribute up to the maximum employee salary deferral without having any issues down the line of possibly having to reduce their contribution amount for the year," Stephen said.

3. Vestwell's 360° payroll integrations make administration easy for Navalign and their clients.

Vestwell is integrated with Navalign's payroll provider, Quickbooks Online. This means contribution and election data are automatically transferred between the payroll software and Vestwell's system.

"It has a 360° integration, so the changes our participants make on the website actually go back into our payroll system, which makes it a lot more efficient for us," Stephen explained.

Navalign's clients are also able to take advantage of the streamlined payroll process. "Vestwell's robust integrations with payroll providers save plan sponsors a lot of time and can reduce potential errors," said Stephen.

The Impact: A Flexible and Scalable Retirement Solution

Navalign's 401(k) plan has an impressive 100% participation rate. After experiencing Vestwell's solution firsthand, the Navalign team knew that their clients would also have a positive experience. With Vestwell's flexible platform, Navalign can offer a robust retirement plan and benefits solution capable of supporting numerous businesses in Navalign's market.

The combination of modern technology, a dedicated onboarding team, and a hands-on client success team makes it easier for employers to set up a new plan or convert from another provider. "It's been nice to have someone at Vestwell that helps make sure the plan gets onboarded and the conversion is happening," Stephen said.

Plus, Vestwell's platform capabilities reduce friction associated with managing clients' investment lineups. The centralization of services allows for bulk updates—a feature that proved to be a game-changer for efficiency. "We can make sweeping changes across a dozen plus 401(k) plans all with one single source: Vestwell," Stephen emphasized.

Conclusion:

By partnering with Vestwell, Navalign was able to keep their preferred investment lineup and streamline the administration process. Looking ahead, Navalign plans to strengthen and deepen the partnership. **"Our relationship with Vestwell will continue to expand as we continue to bring in new 401(k)s and plan conversions,"** Stephen said.

Vestwell combines technology with best-in-class retirement plans and user-first design, making it easy to offer and administer company-sponsored 401(k) plans that meet the needs of employers and savers.

Click [here](#) to book a demo with Vestwell.



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