
ADP and Financial Engines in financial advice deal

By Editorial Staff Tue, Feb 6, 2018

The Financial Engines advisory service offering, on the ADP platform, will launch in the summer of 2018. The deal expands FE's reach to thousands of small and mid-sized firms and broadens ADP's financial wellness capabilities, the two firms said.

Financial Engines, which provides web-based advice and managed account services to millions of retirement plan participants, and ADP, the plan recordkeeping and administration giant, announced this week that ADP will begin offering Financial Engines to its clients as its exclusive advice option.

The Financial Engines advisory service offering, on the ADP platform, will launch in the summer of 2018. "It will broaden ADP's financial wellness capabilities," the two publicly-traded firms said in a release.

"This will be the first time Financial Engines will build an automated service capable of on-boarding thousands of plans a year," John Bunch, executive vice president and chief operating officer at Financial Engines, told *RIJ* in an email this week. "The partnership will also broaden ADP's financial wellness capabilities that aim to help 401(k) participants better prepare for day-to-day expenses and broader financial challenges."

Asked if the deal will open up new markets to Financial Engines, Bunch wrote, Our strategic relationship with ADP will enable us to help 1.7 million more Americans—including those who work at micro-, small and mid-size businesses—that might not otherwise have access to quality, independent and comprehensive financial advisory services that they need to live and retire well."

FE will be a standard part of the ADP retirement services offering," Bunch added. The offering will be available to retirement plan sponsors on the ADP Retirement Services platform. For sponsors offering Financial Engines, we are able to serve participants in their plans online, over the phone through our National Advisor Center, or in-person at 140-plus advisor center locations."

ADP is also accepting Financial Engines as its exclusive advice provider. "With the new relationship, Financial Engines will be the only advice provider on the ADP recordkeeping platform," Bunch said.

Financial Engines' direct advisory services for participants include:

- Online savings and investment advice and retirement income services for employees who want to manage their retirement themselves.
- A discretionary managed account service for participants who want to delegate the management of their retirement accounts to a professional.
- Income planning and Social Security claiming guidance via Financial Engines' Social Security Planner.
- Professional management for all participant accounts (401(k), IRA and taxable accounts) by a dedicated advisor.

Participants will also have access to Financial Engines' non-commission-based Investment Advisor Representatives, as well as to independent online investment advice, and to ongoing financial wellness programs and education.

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