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An Introduction to Independent Fiduciaries

Interview with Retirement Expert Matthew Hutcheson

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■ [Oct 5, 2009](#)



Matthew Hutcheson is an independent pension fiduciary that is well recognized and trusted in the world of finance, economics, and retirement plans.

[Matthew Hutcheson](#) is a congressional expert, and is recognized around the globe as a dedicated advocate of investor and plan participant rights. In this exclusive interview with Suite101 he shares his expertise on working with independent fiduciaries and retirement planning.

As a Certified Pension Consultant and Accredited Investment Fiduciary Analyst Hutcheson has also testified before U.S. Congress and the Department of Labor, and is an influential and trusted advisor to policy makers in Washington D.C. As a sought after expert in legal proceedings he frequently testifies as an expert witness in Federal Court. His significant involvement with all three branches of Federal Government, coupled with his demand in the private sector makes him one of the most trusted and influential retirement plan experts in the United States.

The Role of the Independent Fiduciary

Any employer sponsored retirement plan, such as a pension or 401k plan must be managed by a named fiduciary. This is the person identified in plan documentation as the responsible party over any given plan. Traditionally, the named fiduciary is an employee of the plan sponsor such as the president or CFO of a company. Today, many companies delegate this responsibility and choose to appoint an independent professional to fill that role.

Hutcheson tells Suite101 that the number of companies interested in independent fiduciary services is on the rise. In 2009 Hutcheson has been contacted by over one thousand employers, or a representative of an employer to begin a dialogue. "Although the independent fiduciary profession is relatively new, it's not at all a foreign concept," explains Hutcheson.

"We hire lawyers and surgeons to perform services for us because most of us don't think we should be our own lawyer or surgeon. Similarly, we're not too far away from seeing independent fiduciaries playing the chief role in tens

of thousands of retirement plans across the country. I can easily see it becoming the norm within retirement plans, similar to the role the legal profession plays with corporate America.”

Confidence and Trust in Independent Fiduciaries is Increasing

Hutcheson asserts that the reason for hiring independent fiduciaries is rooted in the desire to improve increased confidence and greater trust between management and workers. Additionally, Hutcheson asserts that hiring independent fiduciary service has many benefits and adds value by providing more retirement income for retirees and making sure that things are done correctly. It further eliminates conflicts of interest, and ensures mediation between a plan and the financial services industry.

Suite101 asked about the risks of turning over a company retirement plan to someone that is not an employee of the company. This type of relationship is built upon the highest level of trust and Hutcheson makes clear that a plan sponsor needs to be absolutely certain about how the relationship will be structured before entering into an agreement.

Hutcheson goes on to say that “once the plan sponsor and the fiduciary are on the same page, a plan sponsor delegates the responsibility in accordance with its plan document coupled with clear instructions on how the plan sponsors intend it to be operated. It’s the independent fiduciaries responsibility to stay in compliance with all regulations, protect plan participants, and be loyal to the client. That’s how the independent fiduciary relationship begins.”

Hutcheson explains that an independent fiduciary can easily be removed if a plan sponsor chooses to reassume those responsibilities but cautions that “such a decision isn’t made for the benefit of the employer or independent fiduciary but can only be made with the plan participant’s best interest in mind. Such decisions must be made for the participant’s exclusive benefit.”

The Future of Retirement Plans

Hutcheson encourages corporate America to seriously think about the benefits of hiring independent fiduciaries. “It’s a service that adds great value allowing executives and management to focus on what they do best and let an independent fiduciary manage the retirement plan because that’s what they do best. It makes a lot of sense, and usually costs plan participants less because the independent fiduciary can add savings.”

There is optimism in Hutcheson’s attitude towards the future of retirement plans. “We are seeing positive changes within the retirement plan industry. Although the past few years have been tough generally, many are seeing how the 401k can yet be the shining star it always had the potential to become. Independent fiduciaries are leading the charge to improve the 401k platform, and I think the future will be very bright.”

As one of the most respected and well known retirement experts in the nation, Hutcheson feels a significant responsibility weighing on his shoulders given the influence and special national trust he bears.

“It is a sacred trust to make decisions for hundreds of thousands of 401k plan participants, and influence the lives of millions more,” admits Hutcheson. “My mission is to proactively seek retirement security for all. I realize that may not be possible, but I have hope, and I seek the best possible outcomes for American workers. Being a fiduciary is more than having a ‘first do no harm’ attitude. Independent fiduciaries must first proactively do good.”

Read more about Matthew Hutcheson in [**ETF Strategies as Retirement Solution - Independent Fiduciary & Congressional Expert Shares Expertise.**](#)

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