

From The Corner Office

Year-End Reflections,

As we close out another year of change across the retirement landscape, this final 2025 issue of The Iron Chronicles brings timely insights into the regulatory and operational shifts shaping the road ahead.

This quarter, Robert Holman contributes *Why Succession Planning Can't Wait*, a compelling exploration of the organizational risks created by single threaded roles and the often-overlooked operational strain caused by inadequate cross-training and PTO backlogs. His piece underscores the urgency of building resilient teams through proactive planning and structured knowledge transfer.

We also feature a forward-looking perspective from Chief Marketing Officer Jennifer Linskey, *Driving Enterprise Strength in Retirement*, who explores the broader transformation underway in retirement operations, from legacy system constraints to new opportunities for modernization, integration, and stronger data governance. Her piece highlights how firms can turn disruption into resilience through clear strategy and thoughtful execution. Rounding out the issue, Principal Consultant, Margie Brown provides a concise but essential overview of the newly released 2026 Cost-of-Living Adjustments (COLA). Her update details key limit increases, the notable shift in the FICA threshold for Roth catch-up contributions, and the operational steps recordkeepers and plan sponsors should prioritize as they prepare for 2026.

As we wrap up the year, we extend our sincere appreciation to our clients, partners, and community for your continued trust and collaboration. Your support fuels our mission, and we look forward to building that momentum together in 2026.

Thank you for being part of the Enterprise Iron community, we remain committed to staying connected and supporting your success in the year ahead.

Warm regards,

John Crocker
Co-Founder & EVP
jrc@enterpriseiron.com

Why Succession Planning Can't Wait

By **Robert Holman**, *Principal Consultant*

In today's rapidly evolving corporate landscape, organizations face numerous risks that can disrupt operations and threaten long-term stability. One of the most overlooked, but most critical, of these risks is the absence of a formal succession plan. Whether triggered by retirement, unexpected illness, or voluntary resignation, the departure of a key employee without a prepared backup plan can leave an organization vulnerable.

Succession planning is not simply about preparing future leaders. It is about building resilience, sustaining day-to-day operations, and securing the organization's long-term growth.

The Risks of a "Single-Threaded" Employee

Many organizations rely heavily on a single "go-to" employee who holds essential knowledge, maintains key processes, or manages pivotal relationships. While these employees often excel, their singular ownership of critical responsibilities creates significant risk. If such an employee:

- Leaves the company (voluntarily or involuntarily)
- Retires unexpectedly
- Suffers a long-term illness or injury
- Experiences burnout or disengagement

...the organization may struggle to maintain continuity.

Additionally, single-threaded employees often experience job strain because they cannot take meaningful Paid Time Off (PTO) without disrupting operations. Over time, this lack of flexibility elevates stress, erodes morale, and increases turnover risk.

PTO Backlogs: A Hidden Red Flag

A large backlog of unused PTO is often an early indicator of weak or nonexistent succession planning. High PTO balances may signal that:

Delivering impactful Business, Technology, & Workforce Solutions since 2002

- The employee feels unable to step away due to lack of backup support.
- The organization is overly dependent on one individual.
- Employee wellness is at risk due to insufficient rest and recovery.

Left unaddressed, this issue can lead to burnout, higher turnover, productivity loss, and potential compliance challenges in jurisdictions requiring PTO payout.

Key Indicators & Impacts of Insufficient Succession Planning

To better understand where organizational vulnerabilities may exist, the following table highlights key indicators of insufficient succession planning and their potential impacts.

Indicator	What It Signals	Impacts on the Organization
Single-threaded employee (only one person knows a critical function)	Overdependence on one individual.	Operational disruption if the employee leaves or is unavailable.
High PTO backlog	Employee feels unable to take time off; no backup coverage.	Burnout risk, morale decline, and possible compliance issues.
Lack of cross-training	Knowledge gaps across the team.	Reduced resilience, slower response to change, higher onboarding /training costs.
No documented procedures	Knowledge resides only in individuals.	Inconsistent processes, efficiency loss, higher error rates.
Unexpected turnover in key roles	No succession plan or clear career path.	Loss of institutional knowledge and productivity, hiring delays.

Cross-Training: A Hallmark of Effective Management

Strong management includes establishing cross-training programs that distribute knowledge and responsibilities across the team. Cross-training offers numerous benefits:

- **Higher employee value:** Broader skills increase adaptability and capability
- **Boost in morale:** Demonstrates investment in employee development
- **Improved retention:** Growth opportunities reduce turnover
- **Better wellness:** Shared responsibilities reduce stress on overburdened staff

Cross-training signals that a company prioritizes employee development while strengthening its operational foundation.

The Broader Value of Succession Planning

Succession planning goes far beyond preparing the next generation of leaders. When implemented effectively, it:

- Strengthens organizational resilience
- Provides clear career paths for employees
- Decreases reliance on any single individual
- Enhances corporate health, sustainability, and competitiveness

Delivering impactful Business, Technology, & Workforce Solutions since 2002

A proactive approach ensures organizations are prepared for unexpected disruptions and well positioned for future success.

How Enterprise Iron Can Help

Enterprise Iron supports organizations in fortifying their operational health through strategic planning initiatives, including comprehensive succession planning. With deep industry expertise and a proven track record, we help clients:

- Identify vulnerabilities
- Develop effective cross-training strategies
- Implement long-term resilience frameworks

Beyond succession planning, our team advises on broader organizational health initiatives that align people, processes, and technology for sustainable growth. By partnering with Enterprise Iron, organizations can confidently prepare for the future, safeguard business continuity, and build a thriving, resilient workforce.

Reach out to us at info@enterpriseiron.com to explore how Enterprise Iron can help you mitigate risk, develop talent, and build long-term organizational strength.



Turning Decades of Data Debt into a Modern, Scalable Future.

A new bipartisan bill could shake up how Financial & Enterprise Iron helped a major financial-services firm unify fragmented data, eliminate integration failures, and accelerate delivery with a canonical model and AI-driven validation. The result: faster releases, stronger governance, and a platform build to scale.

LEARN MORE

WHITEPAPER

Driving Enterprise Strength in Retirement: Challenges, Trends and Smarter Solutions

By **Jennifer Linskey**, Chief Marketing Officer & Head of Industry Solutions

Executive Summary

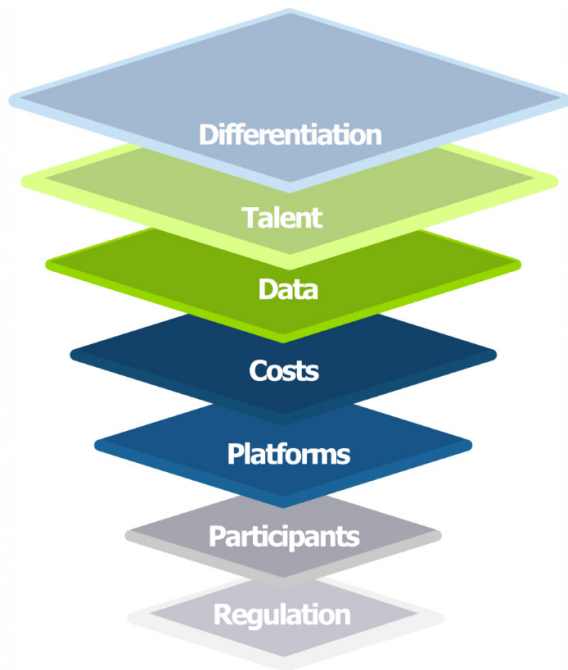
The retirement industry is at a turning point. Whether you are a Recordkeeper, Advisor, Asset Manager, or Technology Partner, chances are your organization is feeling the weight of rapid change. Regulations are evolving faster than ever, participants want personalized and transparent experiences, and it is increasingly difficult to stand out in a crowded marketplace. At the same time, many firms are managing shrinking margins, fragmented data, aging systems, and a shortage of specialized talent.

Delivering impactful Business, Technology, & Workforce Solutions since 2002

At Enterprise Iron, we have spent more than 20 years working alongside firms across every corner of the retirement landscape. We have seen both the challenges and the opportunities that come with transformation. This whitepaper reflects those experiences, the recurring obstacles, the risks that can derail progress, and the practical steps that have helped organizations move forward with confidence

The Current Retirement Imperative

The retirement industry today is being reshaped by forces no organization can ignore. New rules like SECURE Act 2.0 have added layers of compliance and fiduciary oversight. Participants now expect seamless mobile access and digital self-service, benchmarking their retirement platforms against the convenience of consumer apps.



Legacy systems are another pain point. Many providers are caught between the risks of large-scale “rip and replace” migrations and the ongoing strain

of maintaining outdated technology. Cost pressure continues to erode margins, prompting outsourcing, vendor partnerships, and relentless efficiency drives. Data silos further complicate operations, as reconciliation across multiple systems consumes valuable time and resources. And across the industry, firms are competing for scarce talent in compliance, operations, and technology.

Ultimately, organizations must do more with less:

- Remain compliant,
- Create participant value, and
- Stand apart in a market threatened by commodization.

Challenges Across Stakeholders

The pressures facing the industry show up differently depending on where you sit. Recordkeepers and TPAs grapple with legacy platforms, heavy operational burdens, and constant regulatory updates. Advisors and Plan Sponsors must make sense of complex plan design trade-offs while keeping pace with changing laws. Asset managers often struggle to integrate their products into Recordkeeping systems in ways that create a consistent participant experience. Technology vendors deal with interoperability challenges and technical debt that make integrations fragile. Even consulting firms like ours must continually sharpen expertise and scale teams to meet demand.

The consequences are real:

- Compliance missteps,
- Audit risks,
- Stalled implementation,
- Frustrated clients, and
- Reputational harm.

With all stakeholders need, however, is remarkably consistent, better integration, operational maturity, flexible staffing models, and access to trusted, independent advice.

Delivering impactful Business, Technology, & Workforce Solutions since 2002



Insights from the Field

Over the years, we have noticed recurring patterns across client projects. Adding new modules into legacy ecosystems often turns data reconciliation into a full-time burden. Plan sponsors sometimes underestimate how seemingly minor compliance changes can snowball into costly remediation. Even firms considered “modern” often carry more technical debt than they realize.

We also see that staffing flexibility is a game changer. Few organizations have the bandwidth or the specialized expertise to handle peak cycles or complex transformations on their own. Time and again, clients tell us they value having an outside perspective, someone who can cut through internal politics and focus on what really matters.

Strategic Pathways Forward

Adapting to today’s environment does not mean taking on massive, high-risk transformations. In fact, some of the most effective strategies are incremental and pragmatic.

Ultimately, organizations must do more with less:

- **Modernize platforms gradually.** Rather than replacing entire systems, refactor or modularize to reduce risk while enabling future innovation.
- **Elevate operational excellence.** Regular health checks, standardized processes, and performance frameworks provide stability and scalability.
- **Adopt adaptive workforce models.** Flexible staffing, nearshore resources, and SME expertise help manage peaks without overextending core teams.
- **Strengthen data foundations.** Unified architecture and strong governance reduce reconciliation headaches and enable real-time insight.

• **Embed compliance from the start.** Designing systems with regulatory guardrails in place prevents costly “after the fact” fixes, ensuring a smooth transition and assurance of quality service and experienced talent in this industry.



Risks and Roadblocks

Even the best strategies can stumble without careful execution. Cultural resistance, underestimated technical debt, and poor governance frequently slows progress. Scope creep, talent mismatches, and weak testing or migration practices can derail initiatives altogether. These risks underscore the importance of phased delivery, clear accountability, and strong oversight across stakeholders.

What Success Looks Like

Firms that thrive in today’s environment tend to share some common traits:

- They modernize in manageable steps.
- They embed compliance and governance into everyday operations.
- They treat data as a strategic asset, not an afterthought.
- They adapt workforce models to balance flexibility with expertise.
- Most importantly, they earn trust by delivering consistent, participant-focused value and objective guidance.

Conclusion

The retirement industry faces unprecedented complexity, but with that comes opportunity. Organizations that embrace pragmatic modernization, operational discipline, adaptive staffing, and compliance-by-design will be best positioned to compete and grow. By aligning strategy with execution, firms can transform disruption into resilience.

About Enterprise Iron

Enterprise Iron is a consulting firm with more than 20 years of deep expertise in Retirement Operations, Compliance, and Technology Transformation. Our team of seasoned subject matter experts has guided some of the largest Recordkeepers and industry firms through modernization, integration, and regulatory change. We focus on delivering independent, practical guidance tailored to each client's unique challenges. Explore case studies highlighting our real-world experience at [enterpriseiron.com/case-studies](https://www.enterpriseiron.com/case-studies). Learn how our expertise can help strengthen your organization. Get in touch with us at info@enterpriseiron.com or connect with us on [LinkedIn](#) to start the conversation.



Ring in the New Year: Essential Cost-of-Living Adjustments for Retirement Plans

By **Margie Brown**, Principal Consultant

The Internal Revenue Service (IRS) released the 2026 cost-of-living adjustments (COLA) for retirement plans on November 13, 2025, under Notice 2025 67. As we welcome in the New Year, these updates reflect multiple increases to key limits previously applicable in 2025.

A notable surprise in the 2026 COLA updates is the increase in the FICA wage threshold from \$145,000 to \$150,000 when determining if catch-up contributions are required to be made on a Roth basis. Under the 2026 rules, individuals will be subject to the Roth catch-up mandate if their 2025 FICA wages exceeded \$150,000.

Due to the timing of this announcement, recordkeepers, plan sponsors, and employers should thoroughly review processes, update systems as necessary, and revise employee communications accordingly.

Below are several key updates to important limits that will be frequently referenced in 2026.



UPCOMING CALENDAR OF EVENTS

NASRA Winter Meeting
February 28-March 2 | Washington, DC

SPARK Advisory Board Meeting
March 11-12 | Newport Beach, CA

 **FOLLOW US**

Delivering impactful Business, Technology, & Workforce Solutions since 2002

	2026	2025
Elective Deferral for 401(k), 403(b), and 457(b)	\$24,500	\$23,500
Catch-Up Contributions for 401(k), 403(b) and Governmental 457(b) Plans	\$8,000	\$7,500
Note: No increase to "Super" Catch-Up Contributions (ages 60 to 63) for 401(k), 403(b) and Governmental 457(b) Plans	\$11,250	\$11,250
FICA Wage Threshold for Mandatory Roth Catch-Up Requirement	In 2026, Mandatory Roth Catch-Up apply to those with FICA wages that exceed \$150,000 in 2025.	\$150,000
Annual Compensation Limit	\$360,000	\$350,000
415 Annual Additions Limit for Defined Contribution Plan Contributions	\$72,000	\$70,000
Social Security Wage Base	\$184,500	\$176,100
Highly Compensated Employee (HCE) -No increase	\$160,000	\$160,000
Key Employee-Officer	\$235,000	\$230,000

At Enterprise Iron, our Retirement Plan Compliance Services ("RPCS") Team is committed to navigating the complexities of retirement plan administration, providing tailoring support to your needs, and managing the heavy lifting so you can stay focused on growing your business. Email compliance@enterpriseiron.com today to get started.

The materials contained herein is general and prepared for informational purposes only and shall not be construed as constituting legal or tax advice. Tax laws and regulations are complex, and some content is subject to interpretation of the law and subject to change as further regulatory guidance is published. Please consult your own independent attorney or tax professional regarding your specific situation.

