



Registered Investment Advisor Case Study

**Halbert Hargrove Investment Counsel
Long Beach, California**



About Halbert Hargrove

- Founded in 1933 as a broker/dealer, transitioned to investment management in 1979
- Located in Long Beach, California
- Registered Investment Advisor
- Services provided: portfolio management, wealth management, family advisory services, charitable and trust management
- Assets Under Management: \$1.2 billion
- Clients: 700
- Employees: Nine investment counselors, 15 operational staff, 9 senior managers
- Investment style: manager of managers through access to institutional money managers
- Target clients: Individual families, corporate partnerships, charitable organizations
- Target portfolio size: \$2 - \$10 million
- Client Relationship Management (CRM) system: Goldmine®
- Portfolio Management System (PMS): Advent®
- Website: www.halberthargrove.com

INTRODUCTION

As part of our ongoing commitment to solving the operational and business management challenges of the financial services industry, Laserfiche® is pleased to introduce the first in a series of white papers specifically developed for independent Registered Investment Advisors (RIAs). Using real-world examples to demonstrate the potential gains from maximizing existing technology and implementing innovative processes, this series illustrates the benefits of electronic document management to the investment advisor community.

The first paper in the series analyzes the document management system of Halbert Hargrove Investment Counsel, a large and growing independent RIA. It outlines the operational efficiencies, cost savings, enhanced compliance and improved client service the company achieved by implementing an integrated document management system.

We invite you to learn more about how your firm can achieve similar results by visiting www.laserfiche.com/RIA to sign up for one of our regularly scheduled Webinars.

THE NEED

JC Abusaid, Chief Operating Officer at Halbert Hargrove investment counsel, had a vision: a completely automated, paperless back-office. With over 700 clients, nine investment counselors and \$1.2 billion in managed assets, Halbert Hargrove was running a complex operation. To maintain the highest level of client service and achieve the scale and operational efficiencies that translate to profitable growth, the firm needed to automate workflow processes and effectively store, search and retrieve documents. With rents rapidly escalating in downtown Long Beach, California, limiting the amount of space needed to store paper documents would lead to significant savings on rent and real estate along with the increased efficiency of electronic document management. And the ever-increasing focus on compliance procedures made having a flexible, secure and efficient document management system critical to the firm's response to SEC audits and document retention and disaster recovery requirements.

THE SOLUTION

Initially, Halbert Hargrove set out to realize the vision of a paperless office by installing a document management system from one of the technology industry's largest, legacy players. But the software was not user-friendly, so the system required more operational resources than it saved. Despite this initial hiccup, Halbert Hargrove persevered in its search for a solution that was easy to use and could still meet its various needs.

"Laserfiche was the only platform we found that was user-friendly, easy to understand and operate," notes Abusaid. **"We knew that we needed not only the document management aspects, but also the scalability and ability to custom integrate into how we did business."**

Taking advantage of the open architecture of Laserfiche, Abusaid and his team were able to integrate into their customer relationship management (CRM) system, Goldmine, and their portfolio management system (PMS), Advent.

“Everything we do begins and ends with client information that we enter, store and manage in Goldmine,” says Abusaid. **“Therefore, we needed to use our document management system as not only a storage, search and retrieval system, but also as a document moving system within our CRM and PMS.”**

One of the innovative aspects of the Halbert Hargrove back office system was the publishing system that integrated into Advent and Laserfiche. “We really wanted to be able to have at the fingertips for our investment counselors all of the portfolio information, updated in real time so that they can respond to client questions immediately,” says Abusaid.

To speed availability of this data, Halbert Hargrove needed Advent to create daily reports for each client and feed that information into a custom publishing system integrated into Laserfiche.

Laserfiche electronically stores these documents with easy and quick search and secure retention, along with the ability to “move” those documents to Goldmine via placing links on client information pages.

“One of the really helpful features of the Laserfiche platform was WebLink™,” notes Abusaid. “Not only could we send the reports from Advent through our publishing system into Laserfiche and Goldmine, but we could also publish those to the Web for the client to see. While not all clients want to view their accounts online, we do have a very large percentage that do.”

The system also makes quarterly reporting a much simpler process. “When it comes time for quarterly reports,” says Abusaid, “we can take the published, electronic versions and email those out to the clients who have elected to receive them in this format. This helps reduce the total amount of paper and mail we create and, for some clients, we do not generate any paper at all.”

Early on, Abusaid realized that to be efficient and to prevent errors, they needed to have just one point in the process where client data is entered and stored. **That is why they have constructed their workflow around their CRM and have used integrations into Advent and Laserfiche to make the process seamless.**

Beginning with prospect data that has been entered into Goldmine, new account and investment advisory relationship documents are prepared and placed into a blue folder. This Blue Folder is the only step in the Halbert Hargrove workflow that has paper, due to the current regulatory requirements for a “wet” client signature. The folder contains a checklist for which documents require signatures and is closely managed and monitored by the client service management team to ensure quality control and accuracy at this important step in the process.

Once all documents are signed, the CSM team takes over and generates bar-coded header sheets for each document. The bar codes come from an automated mail merge in Microsoft® Excel™ with client data from Goldmine. These header sheets facilitate the use of the Quick Fields™ automation tool within Laserfiche to automatically index and template scanned documents by client household, further automating the processing steps in Laserfiche to set up specific client folders where the documents will be electronically stored. The indexing and template features in Laserfiche make it easy to archive, search and retrieve these documents.

Due to the distributed nature of the workflow within Halbert Hargrove, Abusaid has created a very flexible team structure for managing this manual aspect of their operations. The office sets aside Fridays as scanning days for batch processing and incoming/outgoing correspondence. Laserfiche

scanning is actually the part-time duty of the office receptionist. **“Laserfiche is very user friendly and easy to learn, so we can distribute this work load throughout the team and provide back-up,” notes Abusaid.**

With the new account documents mailed off to the custodian, there is no reason to keep paper copies. With over 700 clients, the cost savings of not storing paper files and file cabinets onsite is substantial.

Once a new client has been set up and is being managed by an investment counselor (IC), the integration of Halbert Hargrove’s system begins to realize its power. As portfolios are managed by the ICs through Advent, daily reports are automatically generated with real-time market data, giving ICs updated information on client positions and holdings when making investment and planning decisions and enabling them to give more proactive service, along with the client’s other professionals such as their CPA and attorney. Those reports are generated in Advent through an innovative electronic publishing system that Halbert Hargrove created to meet their unique client service and portfolio management needs.

Through an integration of Laserfiche with the publishing system, the reports are electronically “moved” through Laserfiche back into Goldmine to put them at the fingertips of the ICs through a link on the client information page.

At the same time, these reports are simultaneously published to the Halbert Hargrove client Website through Laserfiche’s WebLink for online viewing via a password protected site. For those clients who choose electronic delivery of reports, an automatic email from Goldmine from the IC to the client alerts the client that there is information awaiting them on their site, thus completing a fully-automated workflow cycle.

CONCLUSION -

In the words of the COO

“By having this end-to-end integration, we can be extremely fast, efficient and flexible in responding to client service requests. Additionally, with the one point of entry for client data, we’re minimizing errors. And our security settings within Laserfiche meet our compliance requirements. Throw in the added benefits of not having filing cabinets clogging up our operational space and the speed in which we can access critical client documents, and we’ve been extremely pleased with what we’ve built.

“While we haven’t put an actual dollar figure on the value of this system and what it does for us, we do know that in terms of scaling upon existing infrastructure, back office efficiencies and the lack of filing storage—it has to be in the range of tens of thousands of dollars per month.”

“It’s been an interesting process getting to this point and we continue to look to streamline wherever we can. **Our philosophy is to continue to innovate on both technology and process and we have found our partnership with Laserfiche to be a critical component of our operational plans going forward,**” concludes Abusaid.

The Laserfiche Institute teaches staff, resellers, and current and prospective clients how to use Laserfiche most effectively. As part of this mission, the Institute conducts more than 500 Webinars each year, covering a variety of topics. The Institute also hosts an annual conference where members of the Laserfiche community attend presentations and network with each other to share ideas and learn best practices. Additionally, the Institute conducts a number of regional training sessions and provides resellers with content for over 100 user conferences each year.

The Institute also develops and distributes educational material through the Laserfiche Support Site. On this Website, clients can access training videos, participate in online forums and download technical papers and presentations that help them become even savvier EDMS users.

For more information, contact:
info@laserfiche.com

Laserfiche
3545 Long Beach Blvd.
Long Beach, CA 90807
United States

Phone: 562-988-1688
Toll-free: 800-985-8533 (within the U.S.)
Fax: 562-988-1886
Web: www.laserfiche.com

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