**The Cultural Aspects of Change**

By David L. Lawrence

In the fast moving world of technology, change is inevitable. New systems, software and techniques are being introduced almost every day. Yet, in this fast moving world, there is one aspect of change that financial advisors may confront that could prove to be an inhibitor to successful implementation of new technology, and that is the cultural aspects of change. With an aging population of practitioners, enacting revolutionary changes to the way things are done in a practice could be met with considerable push-back, not only by the practitioners, but by office staff that may be wedded to the old ways of doing things. At the Process World 2012 conference, held in October in Orlando, Florida, this subject was discussed by both companies and software engineers.

Process World (hosted by International software company Software AG), was all about confronting this change process. According to CEO Karl Heinz Streibach, There are four forces to confront in enacting change: **1) Social, behavior, 2.) Mobile, access, 3.) Cloud delivery and 4.) Information/ (data) context.** If change, such as implementing a new client relationship management software or similar, is imposed on staff without staff involvement in the decision-making or soliciting staff input, chances are the firm will experience considerable push-back on that change. Cultural acceptance of mobile solutions has spawned a revolution of sorts in the software industry. Having mobile access frees a firm and/or its producers from location restrictions. The old days of server specific functionality that is only accessed locally are quickly being replaced by mobile access and cloud-based solutions. With respect to the security issues, while there will always be concerns, these have been thoroughly addressed and will continue to be studied and improved.

The fourth force of change, Information/data context is perhaps the most critical one to confront. It is one thing to find ways to share data across divergent softwares and systems. It is quite another to develop ways to parse that same data in a contextual format. Data that is simply ‘mapped’ by field identification into another database could be misinterpreted, unmatched or simply ignored. The key is to not only bring the data over, but to be able to ensure that the data is placed in the proper context, that it can be relied upon without manual corrections and that it represents an efficiency boost. Even more important is that access to that data in a real-time environment is made possible from any venue, including mobile solutions.

Along the lines of confronting change in a financial advisor’s office, developing and maintaining client relationships are considered to be the most important components to ensuring healthy growth of your practice. However, too often, building professional-looking, data-rich reports for your clients is a time-consuming task. This leads to incomplete reports, inconsistent look and feel, and lack of data reliability. Companies that provide data platforms are responding to this challenge. One in particular is Pershing Advisor Solutions.

At the Business and Wealth Management Forum, held in Denver, Colorado, Mark Tibergien, Chief Executive Officer and Managing Director, Pershing Advisor Solutions (<http://www.pershing.com/ria.html>), spoke of a new service that can significantly change the way advisors and their staff can create client reports. With their Client Meeting Preparation Tool, available in the NetX360 platform, Investment Professionals can now gather information from numerous sources within NetX360 to create professional, comprehensive client-facing reports. Investment professionals can draw on NetX360 data features to run reports on the account or household level.

Of the wide-ranging types of report information that will be available, some includes:

> Account Summary

> Realized, Gains/Loss Summary and Detail

> Bond Maturity Schedule

> Asset Allocation

> Projected Monthly Income

The idea behind this new functionality is to dramatically decrease the time it takes to create and customize these reports. Mark mentioned that with proper entitlement, the Client Meeting Preparation Tool allows you to customize certain report sections with your firm’s logo, as well as include the necessary disclaimers that must appear in the reports. By eliminating key manual steps in the process, accuracy is increased, efficiency is improved, process time is decreased and staff time in preparing the reports can be significantly reduced. Mark also mentioned that Pershing is committed to finding additional ways to provide process efficiencies, not only in report generation, but in block trading, rebalancing and management reports.

And, as impressive as this may be, it is far from the only effort by providers to assist advisors in increasing efficiency, reducing costs and allowing practitioners to have more face time with clients. Total Rebalance Expert ([www.trxpert.com](http://www.trxpert.com)) has also made significant process improvements to their platform.

Additionally, LaserApps software discussed at their annual Broker Dealer Conference held in San Diego, California that they have an enterprise solution to their suite of form filling applications. The enterprise edition solves the primary problems that independent financial advisors face. Laser App works "off the shelf" by integrating seamlessly with over 60 software solutions. You also have the ability to import data or key new clients directly into the Laser App database.

Additionally, according to Robert Powell, Laser App Anywhere is the firm's new cloud-based product. The company's annual broker-dealer conference in August in San Diego attracted more than 300 advisors, broker-dealer and custodian personnel and technology vendors.

When the firm asked advisors what they wanted, they resoundingly said "the cloud," according to Robert Powell, Laser App Software's vice president of sales and marketing. Some of these advisors may not fully understand what the cloud is, but they knew what it could mean to them in terms of mobility and access to data: which translates to having the freedom to access any form, from anywhere, at any time, on any device. Moving to the cloud, according to Robert, was inevitable. It means greater flexibility and faster access.

The point is that no matter what the solutions might be, the real challenge is the cultural change that has to happen in the office in order for transformative change to successfully occur. Staff has to understand how such change can favorably affect their working lives in order for them to accept buy-in on the change process. Typically, change to a new system or process requires patience and generally takes time to occur. Financial advisor’s staff needs to understand that there is a period of time, generally 30 days or more, in which there should be a period of discomfort during the change process. But, clearly, they need to focus on the end result, which should be a faster, easier way of doing their job. The end result must be kept in focus, that the systems, procedures and job requirements are that much more efficient and productive as a result of whatever change is enacted.

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