**Efficiency Tools**

**By David L. Lawrence**

Financial services practitioners are frequently looking for ways to improve the efficiency of their office operations. Institutions and software makers are responding to this with new offerings. At the first Technology Tools for Today – Enterprise Conference held in Chicago, November 3 – 5, 2013, several of these new offerings were announced and promoted.

One such offering is a cloud-based workflow and document management solution called XTRAC. XTRAC solutions (<http://www.xtracsolutions.com/>), a wholly-owned subsidiary of Fidelity Investments, was devised as an internet based portal to deliver Fidelity’s Workhorse, a set of proprietary workflow and document management services. Basically, the solution is a suite of capabilities that provide tracking, routing, review, approval and audit control of business processes. It was designed to address three sets of needs including workflow automation, process modeling and pre-packaged workflows.

According to Matthew Chisholm, Senior Vice-President of NFS Consulting Group (a division of Fidelity), XTRAC has three major differentiators: 1) the ability to leverage technology in a financial practice (with features such as a best practices library and more), 2) XTRAC provides a direct business relationship with the core of Fidelity’s products and services and, 3) fully utilizing business process management (BPM) as a primary integration agent, providing deep integration to other core components where alerts can be auto-communicated back to the financial advisors.

But, the capabilities don’t end there. XTRAC can share data with such client relationship management softwares as Redtail and Salesforce. On the document management side, it has the ability to pre-fill documents and applications and can capture such activities as work related steps or document driven steps. This translates into a reduction of repetitive keystrokes, adding efficiency and speed to activities and document preparation.

Another new tool, from a well-known source, is ProTracker Cloudtm. ProTracker ([www.protracker.com](http://www.protracker.com)) is a Client Relationship Management Software that has been around for many years. However, this is their first cloud-based solution, and it is a good one. ProTracker Cloud does everything the desktop version did and more. This version has ramped up the security with a ‘required’ two-factor authentication, varying levels of access (depending on who it is) and contains a usable workflow management feature as well as document management.

With respect to the workflow management feature, it only handles sequential workflow tasks, which may or may not fit the way a firm would like it to work. With sequential workflows, the end of one task automatically triggers the next task in a workflow task set. With such a design, it ignores the possibility that there might be non-sequential tasks, decision trees with multiple choices to select the next task in the task set or loopbacks (returning to an earlier point in a set of tasks should they need to be repeated). However, for those firms whose workflows are relatively simple and straightforward, this is a workable feature.

Depending on which edition is purchased, you may have access to an audit feature, sales metrics, client scoring, compliance features such as suitability and regulatory reports and commission tracking. All editions have such productivity features as customizable dashboards, shared calendars, project, workflow and department tasks, reminders and alerts and team notifications.

ProTracker Cloud also has spent significant resources on hosting and backup, using Amazon Web Services (Virginia) for hosting with redundant backup servers in California and automatic data backups with offsite storage. Storage is based on a per user allocation, But additional storage can be purchased if needed. ProTracker Cloud is offered for as little as $59 per user, depending on which edition is purchased.

Another solution that was not at the T3 Enterprise Conference is E-valuator (<http://www.e-valuator.com/>). The E-Valuator is a fiduciary model for investment decisions that is similar to the toolkit from FI-360 ([www.fi360.com](http://www.fi360.com)). However, E-Valuator focuses on Investment performance tolerance for its decision-making. The tool identifies the investor’s performance tolerance and then offers a selection of criteria to whittle down the choices. The four criteria are Performance-based criteria, Risk-based criteria, Fund-based criteria and qualitative-based criteria.

The performance-based criteria looks at traditional items such as 1, 2, 3 & 5 years annualized returns. The risk-based criteria studies standard risk measurements such as the Standard Deviation, Beta, Sharpe ratios and Alpha (all with 3 & 5 year benchmarks). The fund-based criteria measures expense ratios, management tenure, turnover ratios and total assets (fund size). And the qualitative-based criteria looks at the trading information (trades at net asset value (NAV), same day trading, whether or not publicly traded and more.

With such stringent criteria, the search function quickly narrows the choices to a select few that could satisfy all of these criteria. Then, the software uses a four performance zone system to monitor those investments once they are owned by the investor. In short, it is a more stringent approach to fund selection, but highly defensible given the multiple criteria employed. The E-Valuator is expected to be available to financial advisors in February 2014.

Yet another efficient tool for a financial advisory practice is Digital Fortress ([www.peakadvisoralliance.com](http://www.peakadvisoralliance.com)) offered through Peak Advisor Alliance and FMG Suite. Digital Fortress is an interactive online platform that offers best practice management concepts, combined with a marketing command center that manages a financial advisor’s website, social media presence and offers turnkey materials all in one holistic solution. It is billed as the first one-stop shop for client communication, practice management, website management and marketing management all through a centralized hub concept.

The centralized hub has essentially six areas. 1) **Lessons** – a selection of top-rated concepts taught by Peak Advisor Alliance, offered as interactive education, 2) **Resource Library** – a virtual warehouse of tools, resources and materials to help you through your business initiatives, 3) **Community Forum** – an opportunity to connect with and share ideas, problems and solutions with all of the members of Digital Fortress, 4) **Commentary and Newsletter** – in this area, you can set up, customize and automatically send out your branded weekly market commentary and/or video newsletters to clients and prospects, 5) **Website** – design and personalize your own website and differentiation message with websites provided through FMG Suite, and 6) **Turnkey Tools** – this area contains a collection of plug and play materials that can be shared through your website or other media.

The advantage of this platform is three-fold. First and foremost, it is a comprehensive set of tools that provide financial advisors with quick and productive tools for increasing the efficient use of resources to increase your firm’s visibility, profitability and efficiency. Second is the cost. Purchasing similar tools from divergent other sources would undoubtedly cost you substantially more and you would be left with a mish-mash of tools that do not necessarily talk to each other or coordinate well. Third is Compliance. Everything offered in the Digital Fortress or through FMG Suite is already Finra/SEC approved. Even publishing your contact information inside the Fortress is subject to a compliance procedure. In an age of social media, multiple presences on a variety of internet sites, and with advanced websites, compliance procedures to protect your firm are critical.

David L. Lawrence is Founder and President of [**EfficientPractice.com**](http://www.efficientpractice.com/)**,** a consulting firm that provides financial practices, broker dealers and independent firms with comprehensive, profit-driven efficiency consulting and resources. He is also the author of **The Efficient Practice: Transform and Optimize Your Financial Practice for Greater Profits and Success**, available at Amazon.com.