

## **2007 Best-in-Tech Award Winner**

### **Friedman & Associates Novato, California**

Between 1998 and 2004, Friedman & Associates doubled the number of clients it served, tripled assets under management and added more services—all without hiring another administrative employee. “I literally was able to do twice the amount of business with the same number of support staff,” President Greg Friedman says. “I attribute that hugely to our increased productivity with technology.” Efficiency is apparent in another way too: growth in operating profits—approximately 40 percent a year—has significantly outpaced the industry’s average annual revenue growth of 10 to 20 percent.

Based in the San Francisco Bay Area, Friedman & Associates focuses on comprehensive wealth management, including portfolio management, retirement and estate planning, insurance, asset protection, liability and debt management. Managing more than \$230 million in client assets with a staff of seven, the firm is committed to technology as a way to achieve business goals. Technology enables the staff to respond quickly to client requests as well as to provide solid, personalized financial advice in an information-saturated, rapidly changing marketplace.

“Technology serves only two purposes,” Friedman says, “one, to provide a higher level of client service, and two, to increase efficiency and profitability.”

#### **Bringing fun into client service**

The desire to deliver an “exceptionally caring” wealth management experience for clients led Friedman to create what has become the industry-leading client relationship management software program, Junxure. CRM technology really is the heart of superior service for us,” he says.

The firm keeps a detailed record of every contact with a client. With one click, any employee can access information ranging from the client’s personal values to the names of the family pet. That allows every employee to stay up-to-date on a client’s needs and provide the same comprehensive, personal service.

“We can illustrate to clients that we know their situation and care,” Friedman says. “In one call with a client we can use our system to refer to what we spoke about last October, wish them a happy wedding anniversary tomorrow, mention the person who referred them to us, confirm that we have sent a tax report to their CPA, confirm their IRA contingent beneficiary” and more. “Importantly,” he adds, “we do so with the perception that this information is in our heads or happens to be on our desk. No need to say, ‘We’ll call you back.’”

The firm has replaced quarterly printed reports for clients with weekly reports over the Web. “The process of posting this information weekly takes very little staff time and makes the information available and timely for the client,” Friedman says. Automated alerts remind the firm when it’s time to review a client’s portfolio or send a birthday card for instance. In addition, the CRM software allows the firm to run global reports on clients with a certain asset level, or even an interest in boating, and send customized letters or emails.

“That level of service requires either a huge staff or a robust CRM system,” Friedman says. “We chose technology.”

#### **Managing for efficiency**

With every task documented, technology frees employees to work at “their highest and best use,” Friedman says. For example, in tracking workflow, Friedman saw that a financial planner was doing tasks better suited to an administrative employee. The intention was good—the planner wanted to help a client—but it was costly to the firm. Friedman ran a query to quantify the issue and used it to persuade the planner to delegate more. “It freed up capacity at the planning level,” Friedman says.

The firm invests in making every employee technologically proficient. A computer-based telephone system allows anyone who answers the phone to identify callers, transfer calls, conference and access voicemail from their screens—and if the caller is a client, they can be looking up client information at the same time. And every quarter, each member of the staff, including Friedman, takes a technology training class.

Technology even helps with employee retention, Friedman says, because frequent upgrades and enhancements to the platform mean they’re always learning. “When you use technology heavily, the nature of people’s jobs changes, even if their title doesn’t. The way they do things changes. That can be invigorating and keep people interested.”

### **Technology best practices**

Friedman & Associates takes a disciplined approach to new technology. Any upgrade must improve the lives of clients and staff, make economic sense, be scalable and flexible, and meet the firm’s long-term vision.

“We don’t use technology where it’s not needed,” Friedman says. “Our focus is always on giving caring attention to and sharing meaningful conversation with clients. That’s where the value in financial planning is delivered.”

He offers the following best practices for technology purchases:

1. **Look inward first.** Rather than succumb to the latest bells and whistles, decide what you want to accomplish and make sure the solution does what you need.
2. **Train and learn.** Once you’ve chosen your software, spend the time to learn what it can do.
3. **Don’t be cheap.** Technology should be an ongoing investment, Friedman says. The firm spends 5 to 8 percent of gross revenues yearly on direct technology expenses.

### **Technology integration**

Recognizing a common frustration among advisors, Friedman helped create Your Silver Bullet, an organization that now has 21 members committed to enabling different software applications to share data easily. The organization is developing interfaces and data standards so that core applications advisors use—such as portfolio management, CRM and document management—will work well together, freeing advisors to spend their time serving clients rather than managing incompatible programs. Friedman expects the organization will continue to grow.

“I’m very excited about that,” Friedman says, “because as an advisor, I want my applications to share data.”

### **Growth is the goal**

Friedman finds it impossible to plan more than three years out because the industry is changing so rapidly. His goal is to keep pushing the envelope and continue looking for new ways to serve clients. “Our commitment is to continue to grow one of the country’s finest wealth management firms by caring for our clients’ wealth and well-being,” he says. “Delivering an exceptionally caring, comprehensive and fun service to our clients requires leveraging technology.”

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