



Efficiency

Gold Winner: Diefendorf Capital Planning Associates

Diefendorf Capital Planning Associates Improves Workflow and Revenues

A David among the Goliaths of the financial world, DCPA increased revenue more than 300 percent by improving workflows, business processes, and customer interactions.

Diefendorf Capital Planning Associates (DCPA) has kept to the same philosophy throughout its 130-year history: strengthen families by addressing their financial needs. The company, which offers financial planning, wealth management, tax, insurance, and benefits services, "has always been about the customer, since my great-grandfather," says CEO Monroe Diefendorf. Now in its fourth generation, the company wanted to improve customer efficiencies to contend with bigger competitors, yet maintain its boutique, customer-centric approach.

"I'm the smallest broker-dealer in America," Diefendorf says. "I want to be boutique, but I want technology. We're able to play with the big boys, but don't have to go through the bureaucracy. We want to stay independent and objective [as a financial services organization]." The company, which has 15 employees, worked with Soffront Software to create a CRM/BPM strategy to streamline business processes, increase productivity, track progress, improve service, and expand the footprint of the company without expanding overhead. "We have to run our business thinking of the customer first and have systems to do things faster and better."

In the past the company collected customer data, but didn't have the tools in place to manage the business processes. So DCPA created Megethos3 (M3), a cloud-based portal and dashboard where employees and partners can access and monitor customer records, track items like orders and customer service notes through the system, and streamline processes through automation. "I can have someone come in, look at the data, move the process along, notify the client, escalate the issue, and take action on it," Diefendorf says. The company now manages the workflow for each activity, such as investment trades, receipt of checks, sales orders, and service updates. Many activities are automated, such as client alerts and notifications to partners about the new orders and status, for example.

Metrics are also important to Diefendorf. "One of the biggest impacts has been that now we have dashboards with all the important data available in one place," he says. "I used to have to run around and collect different data from different programs." Metrics such as customer referrals,

number of quotes given, appointments taken, and sales figures give Diefendorf a good sense of what's working and where improvements need to be made. "That's my EKG."



Before making any IT moves, however, the company carefully combed through its existing workflows to find inefficiencies and opportunities for improvement. "For every line of business there is a workflow," Diefendorf says. For example, if a customer requests an insurance policy quote, an employee creates the quote, interacts with the insurance vendor, checks the status, notifies the client, and closes the sale. He says some processes were literally tracked with sticky notes and piles of paper. "We needed to sharpen the ax."

Now, "every step has a [predetermined] action: who's going to do it, how it will be communicated, closed, and time-stamped," Diefendorf says. "There are notification rules set behind it."

Another benefit is that DCPA can now do more with less. "What really excites me is that our footprint has been expanded without getting out of control [with costs]," he says. "We can manage more business with the same players."

The web-based M3 portal allows the entire team (client, advisor, accountant, and attorney) to collaborate and meet clients' needs on one platform. In addition, potential sales are prioritized based on inventory and close potential, individual clients are placed into their household for a more holistic view of business and potential business, and client information is shared between employees and partners, creating opportunities for cross-sell and upsell business.

With the new system in place, the company is attracting more clients and financial advisor partners. "We are able to now attract advisors that in the past we couldn't monitor, and we can now offer them more value-added services [such as the M3 portal]."

Since beginning its CRM journey three years ago DCPA has seen impressive results. On an investment of \$100,000, DCPA saw its annual revenues increase by \$500,000, annual expenses reduced by \$100,000, and its business value rocket by \$3.75 million due to new strategic alliances and clients. "The system is helping us bring in business we didn't have before." Customers benefit from faster processes and transparency of transactions, an important attribute in the wake of recent financial scandals. DCPA reports a customer retention rate of 100 percent during and after the implementation.

Diefendorf now has a sense of security for the future of his family business. "I wanted to create an ideal environment for the next 25 years," he says. With the new strategy in place, "we've got competitive advantage, and we are now positioned for the fifth generation." -- *Elizabeth Glagowski*