

# case study



## Providing Personalized, yet Efficient Customer Service

*Financial broker dealer, Sigma Financial, used DocuWare to reduce document processing time from two days to a few hours, reducing costs by \$120,000 annually and improving customer service, because issues and questions are now addressed immediately. DocuWare's technology helps Sigma provide award winning, personalized, yet extremely efficient service to its clients.*

Sigma Financial, headquartered in Ann Arbor, Michigan, is a premier full service financial broker dealer. Established in 1983, Sigma's corporate office employs 90 people and through a joint venture with Midland National Life Insurance they boast a network of over 1400 independent representatives located in 48 states. Sigma sells a broad assortment of financial products ranging from traditional brokerage accounts to financial planning services to disability insurance.

Sigma positions itself as a "family" or personalized broker dealer. In a world of automated phone attendants, Sigma still has live receptionists answering the phones and directing calls in a friendly manner. The company has won the Broker Dealer of the Year Award from the Investment Advisor Fax Poll in seven of the last ten years.

Sigma's big differentiator when it comes to attracting high quality representatives, is the technology support it provides it's reps.

"My department's primary focus is to make sure our reps are maximizing their time selling financial products and not spending too much time struggling with technology issues or out dated business processes. We want to help our reps utilize technology to grow their business and ours," said Terry DeLongchamp, IT Director for Sigma Financial.

Because Sigma's company culture is so focused on using technology to work smarter and faster, investing in a document management system seemed like a logical next step.

## Current Situation

Every morning the mailroom staff would open 100-150 overnight envelopes containing 220-250 sales forms that were 8-10 pages in length. The mailroom staff would copy each form, averaging between 9,000-12,000 copies a week! The "original" was sent to the Compliance department for approval. Once approved, the form went to the Sales Processing department who sent the "original", via overnight mail, to the appropriate fund company.

The "copy" was sent to the Commissions department, where the information was manually input into Sigma's commissions program, giving the rep credit for the sale. The "copy" was then filed by rep's name in Sigma's dedicated file room. Most of the records stored there needed to be kept on file for seven years and a few document types needed to be stored indefinitely. Processing a sales form was at least a two day process.

Average document retrieval time was anywhere from 10 -15 minutes per form and usually 20-30 forms were accessed daily. Retrieving, refiling and just keeping track of pulled files was made even more difficult because all of Sigma's corporate employees had access to the file room. Furthermore, Sigma was running out of room and would need to add additional filing space and personnel.

The biggest problem Sigma faced was misplaced files. As a financial broker, Sigma is audited two to three times a year by the Securities Exchange Commission. During an audit, 150 documents would be requested from the file room. This caused the filing staff to get behind with their regular filing and refiling. Sigma employees,

frustrated by the delay, would pull the files themselves, resulting in files being checked out too long or even lost. If a file turned up missing, a company wide alert would be sent out asking everyone to check their desk for the file. If the file never turned up the only course of action was to request a copy from the fund company, a process that required a three week turnaround.

## IT Situation

Sigma Financial has a 90-user Windows 2000 network running TCP/IP for connectivity. Their seven-person IT staff administers 12 applications and maintains 14 servers and 6 websites.

## Solution Requirements

Sigma had several objectives when it began looking for a document management system. First and foremost, they wanted a system that would make it easy for anyone in the building to quickly and efficiently access files. They wanted to reduce document retrieval time, eliminate lost files and have better control of who was accessing each file. Second, they wanted a document management system that would also work as a document processing system. Third, they wanted to scan all of their existing documents into an electronic system and free up office space. Last, but not least, the system needed to be upgradeable, flexible, and able to meet Sigma's unseen future needs.

"When I came on board six years ago, I began developing a master plan for our foreseeable technology needs for the next ten years. I knew we needed an electronic document solution for the long term, but I didn't want to invest in a product, only to have it be outdated tomorrow. I needed to find a solution that could grow with our company," said Terry.



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Terry DeLongchamp,  
IT Director,  
Sigma Financial



### **Solution**

Sigma's electronic document management solution consists of a DocuWare System License, as well as the DocuWare ACTIVE IMPORT and CDMAKER modules. A Canon 4050 scanner and CD Rom Jukebox were also purchased for the solution. Five FULL FUNCTION licenses and five READ/ONLY licenses provide all of Sigma's corporate employees with access to DocuWare. Four to six employees use DocuWare on a daily basis, the rest hop in and out of the program to collect the information they need.

Once DocuWare was implemented, a workflow process to manage the sales forms was set up and slowly introduced to the reps as the Sales Fax Admissions Program. Sigma developed a fax coversheet which compiled all the important information from the 8-10 page sales forms onto one page. This allowed Sigma to "standardize" the constantly changing sales forms of hundreds of different funds and quickly and easily view the information that was used as the index fields in the DocuWare file cabinet.



When a sales form is faxed to corporate headquarters, DocuWare's ACTIVE IMPORT module reads the information from the coversheet, and automatically indexes the document and places it in a DocuWare basket for the Compliance department to review. When approved, the Compliance department places an electronic approval stamp on the document and the Sales Processing department faxes, direct from the desktop, the approved document back to the rep for his records. From here the sales rep mails the original sales form directly to the fund company, speeding document processing time and reducing costs. In addition, Sigma was able to import DocuWare's index information and eliminate manual data entry into the commissions program. The paper documents stored in the file room were scanned by a service bureau and stored in DocuWare, a process which took one year to complete.

Sigma spent two years carefully rolling out DocuWare to all its other departments. Today, Sigma's auditing team has DocuWare loaded on their laptops, making it easy to take a copy of any relevant documents to an audit.

The Trading department uses DocuWare's TIFFMAKER function to automatically index and store trade confirmations from the New York Stock Exchange. In the Licensing department DocuWare is used to manage the 50-100 pages of paper work generated when each new rep comes on board. Furthermore, DocuWare is used to effectively manage the quarterly influx of statements for each of the 100 plus funds Sigma sells. Each quarter Sigma stores 25,000 pages of statement information, which must be kept on file. To date, Sigma has over one million documents stored in their system and they continue to input roughly 10,000 pages a week.

### **Benefits**

On an individual level, DocuWare has saved countless man-hours by reducing document retrieval time from 15 minutes to seconds. Anyone in the corporate office can quickly and easily access a file from their desktop. Because nothing is ever taken out of a file, information never turns up missing and three week waits for a copy of a missing document are a thing of the past. Quick access to information has improved Sigma's customer service, because issues and questions can be addressed immediately.

Sigma's reps have also enjoyed the benefits of DocuWare. Submitting a sales form has never been easier or faster. By using DocuWare, Sigma Financial and its reps have saved two days of processing time. All sales forms submitted by 4:00 p.m. are reviewed and processed the same day. Since the compliance review and notification are so quick, the original sales form does not need to be mailed to the fund company in an overnight envelope, resulting in a trickle down cost savings for the rep.

The benefits of DocuWare can be seen on the department level as well. Since implementing DocuWare, the four-person Compliance department has stayed the same size even though the volume of business has tripled. Today, the file room has been converted into office space for five people. DocuWare also eliminated the manual entry of information into the commissions program and allowed Sigma to redirect personnel to other areas of need.

On a corporate level, Sigma immediately saw DocuWare's benefits reflected in its bottom line. Sigma's investment in DocuWare paid for itself within the first year of operation. The reduction in copy paper, toner and overnight mailing costs amounted to approximately \$10,000 per month. Furthermore, DocuWare has helped Sigma add to their bottom line by fine tuning their competitive edge, allowing them to attract high-caliber new reps with the potential to generate more business. Client relations and customer service have improved significantly due to the efficient way client files are managed, providing greater client satisfaction and potentially more repeat business.

In summary, DocuWare's technology blended beautifully with Sigma's corporate focus of providing award winning, personalized, yet extremely efficient service to its clients.

For more information  
please visit our website  
[www.docuware.com](http://www.docuware.com)

#### **Solution Requirements**

- Provide corporate-wide access to information
- Reduce document retrieval time and improve work processes
- Gain office space
- Implement a flexible solution able to meet unknown future needs

#### **Solution**

- DocuWare
- ACTIVE IMPORT
- CDMAKER

#### **Benefits**

- Implementing DocuWare allowed Sigma to save \$10,000 a month by reducing copy paper, toner and overnight mailing costs.
- Even though business grew and the volume of documents tripled, Sigma Financial was able to avoid hiring additional personnel and redirect some employees to different areas.
- Reduced retrieval time enhanced Sigma's customer service, because issues and questions are addressed immediately, providing greater client satisfaction and potentially more repeat business.
- Streamlining work processes saved Sigma Financial and its reps two days of processing time, resulting in a trickle down cost savings for their reps.
- Reducing costs and improving customer service fine tuned Sigma's competitive edge, allowing them to attract high-caliber new reps with the potential to generate more business.