

## New Tools Empower Today's Time-Strapped Advisors

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By Anthony Malakian

The world of a wealth-management advisor is not an easy one, given the seemingly endless amount of information to consider, the need to constantly evaluate new financial products, and a tax environment always in flux, but there is hope. Over the last five years, many new products have emerged to help advisors construct well-rounded portfolios and monitor their progress, all the while saving the advisor and client time.

Most recently, the focus has been on streamlining workflow, portfolio construction, analytics and reporting, says Isabella Fonseca, a senior analyst at Boston-based consultant Celent. She has observed a rush to make products "lighter," because "selling a more complex version of the system was taking some time ... and it gives firms the ability to try the offering and add components as necessary." Three companies that she says have made recent improvements to products are Fidelity Investments of Boston, InvestEdge of Philadelphia, and NorthStar of San Francisco.

Fidelity recently announced it's adding a customer-relationship-management feature from Oracle, a financial-planning module from EISI, and portfolio-management and reporting services from Advent.

WealthCentral is the next generation of its Wealthware product. Fonseca says that the product will be hosted at Fidelity, which is not the norm since most wealth-management software providers are stored offsite. While Fidelity holds a market-share advantage, Fonseca believes that from a technology standpoint, InvestEdge's and NorthStar's products are ahead of Fidelity's.

According to Christopher Mandel, director of investment advisory at Wilmington Trust, InvestEdge allows the bank to integrate three major capabilities: portfolio management,

client reporting and compliance. In his 10 years at the Delaware-based bank, Mandel says he has seen the wealth-management software sector constantly evolve. With InvestEdge, his advisors often suggest improvements, and InvestEdge has customized the product to Wilmington's specifications.

Integration has been key. "In the past we had a trust-accounting system where all of our transactions would occur," Mandel recalls. "We would have a performance-reporting system that took all that information and calculated performance. We would then have other systems that might do client-reporting functions, but none of the systems necessarily talked to each other and, in some cases, the vendor for the systems were the same company and they still didn't talk to each other. InvestEdge ...allowed us to integrate systems in a way that created both efficiencies for our investment staff, but also created the information that we just didn't have before."

Fonseca adds that InvestEdge is tops on the technology side because its enhanced reporting allows customized reports for individual clients; daily performance monitoring of asset size, when most products only do monthly; simplification of data loading; and an alliance with Northfield for portfolio tax optimization and risk tracking.

Like InvestEdge, NorthStar can customize its products to improve reporting timeliness, says Harry O'Mealia, CEO of Baltimore-based financial institution Legg Mason Investment Council. NorthStar allows clients to implement any or all of five modules: client-relationship-hierarchy, portfolio-planning, investment-catalog, portfolio-manager, or wealth management.

"As a wealth manager, our job is basically to counsel wealthy individuals and families on their affairs," O'Mealia says. "It's a very broad service, so the more information that we have, the more tools that we have to look at the world and extract information, the better we are."

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