Tech review: Honister Capital Partners

Categories: Technology

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As part of a series for Professional Adviser, AT8 Group's Mark Loosmore is interviewing a number of distributors on how they are using IT to improve their businesses. This week: Geoff Swaby, IT director at Honister Capital Partners...

Honister is a substantial distributor which recently acquired The Money Portal. It contains four key divisions, each with its own characteristics and technology demands. The first division is Honister Partners which is a national IFA employing some 500 advisers.

They advise across the 'whole of market' and tend to focus on the 'high net worth' customer segment. Complementing the employed advisers are two networks formed from the takeovers of Burns Andersen and Sage Financial Services, again each of these is about 500 strong. The management have less control over the technology used by the network members and the technology support for these has to be flexible and able to demonstrate clear business benefits or it simply won't be used. The final part of the jigsaw is Willis Owen – the direct marketing arm, specialising in off the page and call centre based sales.

It is not just the wide range of business models that present technical challenges for Honister, but the advisers are spread across disparate geographical locations too As a result, Honister prefers for the IT and Ecommerce services, where ever possible, to be delivered via the internet.

Despite the variety of advisers across the organisation's businesses, there are some common issues facing them all, one of which is the impact of RDR and in particular the need to meet the new professional standards by 2012. Ensuring all advisers are at the right level is no small task when 1,500 advisers are involved and Honister have looked to technology to automate the training and testing of their advisers.

1   Testing solution

To achieve the automation of the testing, they have turned to Redland Solutions and their Insight testing system. The solution delivers the testing online, allowing quick and easy access to the wide number of users as required and provides a broad range of subject material. Not all staff need to pass all tests and some, such as the call centre operators are simply trained on the subject of money laundering, while others undergo the more holistic financial planning courses.

The training systems are integrated seamlessly into the intranet site that Honister provides to their employees and network members. No additional login or security is needed and a consistent branding look and feel is provided to the end users. Geoff has been delighted with the technical support and flexibility of Redland which he would highly recommend to others as a result.

Training and competence systems are of course wider than just online courses and testing, so Honister is looking to extend its use of technology in this space to help with the creation and management of training and development plans as well as case checking to risk profile their business – which will also help with TCF.

2   Management system

At the heart of any adviser's business is the client management system they use. At the last count there were nine suppliers of client management systems across the group. The proliferation of suppliers has

come from the various acquisitions and mergers that made up the Money Portal prior to the acquisition by the Honister Group.

While the management of Honister are happy to support the use of disparate systems where it is right for the business, they are now mandating one common system for submitting business and managing the commission processes. For this, they have chosen IntelliFlo's Intelligent Office (IO).

Honister have configured IO to provide a choice of three different variations of IO to the members. If advisers have an alternative client management system that they want to keep, they can take what is described as a 'Lite' variant which is configured for reporting only. They provide a 'Lite Admin' version which supports new business entry, and document uploading and a full configuration which has all the core facilities available including contract valuations and front office tools such as a factfind and the IO financial planning tools.

3   Automation

Commission management remains at the heart of what Honister use IO for, regardless of the version the end user takes. They now get nearly 90% of commissions through the automated route. For those providers that do not yet produce electronic commission statements, Honister uses Formic Fusion to scan the paper documents and extract the necessary data using OCR.

Honister have a real commitment to minimise the reliance on paper documents and so most of the paper documents that they still receive are scanned and stored electronically, then attached to either the client (for example the IDD), or against a policy record. Honister give advisers guidance and support on how to do this, recommending (but not enforcing) the format, resolution and naming conventions. Already, after only a few months of putting this functionality live, Honister have 400 GB of data stored and they are now build an archiving strategy to manage the level of data they are now creating.

As with Redland, Geoff is an advocate of IntelliFlo, who he feels have a good solution and have been responsive to his needs.

For other technology services, Honister has negotiated good commercial deals on behalf of their advisers and a menu of solutions is made available, from which to choose, including Financial Express, O&M, Synaptic, Truth and TrigoldCrystal. Not all of these currently meet the online criteria that Honister is aiming for, but Geoff is looking for each of them progressing towards his online goal in the near future.

4   Key decisions

Technology solutions are not all about big money and monthly licence fees and Geoff told us – somewhat 'tongue in cheek' – about a 'key strategic decision' to obtain iPhones for the executive and management team! Whether you like or loath the iPhone, it does have a strong following of users and it has motivated a number of companies to start to deliver financial services functionality via the phone. With the extension of additional networks offering the iPhone, this is likely to increase over the coming months.

The next technology challenge for Honister is the provision of an effective website both at the corporate level and the network member level. A new corporate website is due to go live next month, but Geoff has a wider vision for the web, where he can power the individual branded IFA firms' websites providing useful tools and services to the adviser and their clients. He hopes his approach will round off an elegant suite of technology tools and provide a key differentiator for his advisers. It may be a bigger task, it may take more time and money, but the bigger organisations with the right vision and strategy can still exploit technology to good effect.