



**Client:** Sigma Financial Corporation is one of the last, independent mid-sized broker/dealers in the Midwest. The firm has carefully managed its growth to ensure that it maintains and delivers high-quality personal and outstanding service to its representatives. Sigma strives to remain an innovative and customer-focused leader fulfilling the licensing, marketing, and product needs of their representatives in the ever changing financial industry.

**Project:** CRM Roadmap

**Business Challenge:** The financial services industry has experienced considerable consolidation beginning in the late 1990s and continuing into present day. Large insurance companies and banks have acquired many mid-market broker/dealer firms creating large “mega-firms” and leaving behind the small and specialized boutique firms. There are not many independent broker/dealer companies remaining in the market that have a similar size and revenue profile to Sigma.

In addition to the market pressures, regulatory requirements have increased significantly due to increased public scrutiny across all sectors of the financial services market. Responding to routine SEC inquiries audit requirements can consume many person-hours to retrieve, organize, and present supporting information.

Sigma’s goal is to become one of the best financial planning firms in the Midwest as it maintains the model of a truly independent broker / dealer organization. Management has set the bar for growth at a high level: double the business in three to five years while reducing administrative operating costs. Moreover, administrative-to-staff expansion will not increase more than 50% above its current levels.

To achieve these goals, Sigma’s management realized that they had to increase their service offerings, improve their technology platform, and sustain steady growth in order to compete effectively in their market. The company needed to improve how information was managed and how services were provided to their customers (the independent brokers) in order to attract high-quality brokers into the firm. With growth, however, comes the danger that management and staff will lose the ability to provide the “personal touch” that many of their broker representatives have come to value. If Sigma could effectively and efficiently capture and manage key personal information about its representatives, it would allow Sigma staff to continue to provide the personal touch and to achieve the growth goals discussed above.

Operationally there were several key process and technology challenges existing within the enterprise. A core issue was the lack of integration between the contact management system and key business transaction systems making it very difficult for Sigma’s staff to obtain a complete view of a customer. In other words the ‘customer profile’ was less than optimal. Also, there was

no systematic approach to manage customer service and compliance issues; rather staff worked very diligently using manual processes and systems to provide these services.

Sigma's CRM project, which was led by Terry Delongchamp, Sigma's CIO, was launched to provide a technology solution to these business challenges. While the project was not off-track, it was not gathering sufficient momentum and Terry brought ISM into the project. Terry observed "I thought I was ahead of the game until I attended ISM's President, Barton Goldenberg's presentation. That's when I realized I'd been going about things backwards and in the worst way."

ISM worked with Terry to create and execute Sigma's CRM Roadmap Project in accordance with ISM's "top down/bottom-up" methodology. This "top-down / bottom-up" approach establishes buy-in at all levels of the company, defines the business and technical requirements for CRM, and sets expectations by prioritizing business needs and defining the implementation schedule for the project. ISM worked with Sigma's CRM Project Team both to assess the current state of key customer-facing business processes including: Incident Management, Case Planning, Account Prospecting, New Accounts Set-up and to design the future-state ("to-be") processes for CRM.

Using its extensive database of CRM software vendors and application capabilities, ISM identified a short-list of five technology vendors capable of meeting Sigma's business and technical requirements. These vendors each submitted a detailed business and technical proposal and ISM worked with Sigma's Project Team to select two CRM software vendor finalists. The finalists each demonstrated business functionality and technical capabilities of their CRM software solution to representatives of Sigma's business and technical community. ISM facilitated the CRM software vendor selection process, and then guided Sigma's management team through the contract negotiation process resulting in a significant cost savings and a signed contract.

Sigma began their phased CRM deployment and results to date have been very impressive. Sigma has reduced the need to hire support staff by at least 10%. With access to a true "360 degree" view of their broker representatives, Sigma's support staff spends considerably less time transferring calls and searching for information needed to answer questions and solve problems. Phase 2 of the implementation will automate the process for scheduling, conducting, and tracking the status of compliance audits.

Sigma has opened up specific functionality to the representatives including the ability to update profiles and receive important date reminders. Response from the field has been very positive.

"It is amazing to look at what we have created so far as compared to what we had. Simply no comparison. I credit the ease of our workup – to the ISM team. I very much appreciate all the assistance and advice that ISM gave. I can certainly see how companies can fail in implementing, due to lack of proper planning and documenting user expectations. I'd be happy to "sing from the hilltops" about the great work and planning that ISM has done for us." stated Terry Delongchamp – C.I.O.