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On Top of the Whirl

Keane Capital counts on Laserfiche for client service, compliance and future success

Keane Capital Management, Inc. is a hedge fund firm based in Charlotte, NC. Since its founding in 1999 with a staff of just two, the firm has grown to seven full-time employees handling fund portfolios for some 250 high net worth investors. With this growth came the need for greater administrative efficiency, which led to Ted Slack joining the firm as its first controller in 2005.

A former change management analyst at Bank of America, Slack had seen technological innovation drive efficiency, from automating input and reconciliation processes using MS Excel to capitalizing on the use of e-mail and the internet in BofA business processes.

When Slack came to Keane, he began to analyze where automation could have the biggest impact. "I looked at it like this: we're a small shop, so we don't have entire divisions or departments. We have people—seven people. So we need to leverage technology as best we can," he says.

Slack initially focused on the need for a common repository for staff to share thoughts and ideas from their research—and the various media it came from, including:

- Handwritten notes
- E-mails
- Reports from the Web
- Bloomberg charts
- 10-k filings
- And more

So he launched the search for a content management solution.

On the Hunt

"Our technology support services partner gave us a couple of ideas. I talked to our prime broker, and I talked to compliance experts in the industry about what firms like ours were using," he recalls. "Laserfiche was one of the five or six referrals we got, so I Googled it."

Slack was then referred to John Caso of reseller One Source Document Solutions, Inc., which already had a strong presence in North Carolina's financial services industry. Caso showed Keane staff how Laserfiche could automate the firm's process for storing and sharing research, as well as its client records.

"Our discussion wasn't about things like compliance and client service at first. We just wanted a better way to share research other than e-mails in Outlook," Slack admits. "But when John started asking about our large collection of filing cabinets, he hit upon the biggest need in our office."

The biggest need was to free up space in Keane's modest offices. Six file cabinets worth of information—almost one cabinet for each employee—certainly weren't helping achieve that goal.

Organization Profile

A hedge fund firm based in Charlotte, NC, Keane Capital Management manages fund portfolios for more than 250 high net worth investors.

Situation

A former change management analyst at Bank of America, Controller Ted Slack was searching for a better way for staff to share thoughts and ideas from their research—and manage the various media it came from.

Solution

Slack spoke with compliance experts and the firm's technology services support partner, and received a recommendation for Laserfiche enterprise content management (ECM).

Benefits

- Laserfiche gives Keane staff a complete picture of a client's history, and enables immediate responses to client inquires.
- The Dodd-Frank Act will require Keane to register with the SEC, and will likely lead to more frequent audits. Laserfiche helps the firm organize and prepare for SEC audits.
- According to Slack, "Laserfiche allows us to grow our business. It scales from one to 1,000 clients in a way that allows us to handle the work using the same efficient processes."

Processes

- Business continuity planning
- Client records management
- Growth strategy
- SEC audit preparation

“Those six cabinets contained the first eight years of our business. We knew as we kept growing, there would be more and more paperwork,” recalls Slack.

He adds, “Those filing cabinets contained the only copies of our information, so if a fire had ripped through our offices, it would have been difficult to replace all the documents, especially for a firm our size. That’s when the discussion turned to business continuity.”

Moving Forward with Laserfiche

The firm purchased an 11-user Laserfiche Avante system in July 2008. The hardest part of implementation, Slack admits, was getting the firm’s small but diverse staff to agree on a standardized naming and filing convention for the research-sharing process. Once the research folders were set up, Slack says, automating the active client folders was the easy part.

“We already had an efficient process and detailed file folders that we were able to mimic in Laserfiche,” he offers. “It may have taken a bit to get the investment folks to retrain their working habits and thought processes, but once they did, learning the Laserfiche product itself was very easy.”

Backlog conversion of a decade’s worth of client information was likewise relatively easy, requiring only a few months of part-time student help. “Now,” Slack says, “we can scan in every document received, file it away in client-specific folders in Laserfiche, and our entire network drive is backed up remotely by our tech support firm. We still file the originals in cabinets, but there are backup copies available.”

Enhancing Client Service

As Keane’s staff began using Laserfiche, it became clear the system’s value was not limited to disaster recovery. “The primary advantage is having all client-specific information available in a heartbeat, accessible from each desktop in our office,” Slack says.

“When clients call with questions, we can pull up those files immediately and provide the answer in that same conversation. Not only that, but we can pull a copy of the document they’re asking about, and e-mail it to them within seconds—usually while we’re still on the phone with them,” he says. “It’s imperative to have a complete picture in terms of client history, and using Laserfiche, we have that right at our fingertips.”

Slack credits Laserfiche for soothing skittish clients’ fears in the wake of recent market fluctuations. “Our clients aren’t institutions, they’re individuals. They’re not just interested in numbers and charts, they value the kind of relationship we have with them. If we don’t provide good client service, there’s no performance in the world that will keep those clients invested with us,” he says.

“During this last market blip in 2008, it would have been easy for them to get scared and take their money out. Being able to pull up a caller’s information and click and drag it into an e-mail speaks volumes about how much we care for our clients’ wants and needs. It really helped take our client service to the next level.”

Responding to Regulatory Changes

Now, with recent regulatory changes all but guaranteeing more oversight by the SEC and other regulatory agencies, Slack sees Laserfiche playing a more significant role in audit preparation and maintaining compliance logs.

“Dodd-Frank gives oversight authority to the SEC, but it still leaves a lot of gray areas as to some of the specifics that will be required of us. But, we know we’ll be required to register with the SEC by July 2011 and we know that the SEC will come audit us on a regular basis. Laserfiche will help us to be organized and prepared for that inevitability,” Slack says.

“We made the choice to keep all working documents on the network drive, but all other documents in Laserfiche. So, it provides peace of mind knowing that all my documents are easily accessible, effectively filed and efficiently searchable. All the required books and records are there, and can easily be transferred to a CD or zip drive for the SEC’s reference.”

Onward and Upward

Slack sees continuing value in using Laserfiche to adapt not only to new challenges, but new success as well.

“At Keane Capital, we describe ourselves as ‘value investors,’ which also carries over to the way we run our business. The Laserfiche Avante system was a very affordable option for us, but I look at its value as more than cost savings,” Slack explains.

“Laserfiche allows us to grow the business. It scales from one to 1,000 clients in a way that allows us to handle the work using the same efficient processes.”

Your Next Step

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