White Paper 2009

Enabling Third Party Administrators by

Leveraging Resources and Technology

5 Keys to Success for Maximizing the Impact of Qualified Plan Management

Enabling Third Party Administrators by Leveraging Resources and Technology

5 Keys to Success for Maximizing the Impact of Qualified Plan Management

Too often, in our attempt to creatively service and support our clients, we inadvertently introduce complexity into an otherwise simple agenda. At the root of the Third Party Administrator's practice commitment is integrity, accuracy and Qualified Plan administration. In principle, the task of Plan management and facilitation appears simple, but in reality, effective coordination and execution is quickly complicated by the complexity and uniqueness of the Plan Sponsor we serve. What if we were able to view the Fund Companies and Plans of all our supporting Sponsors holistically, through a view of clarity and completeness, rather than through the distortion of a prism? Imagine an environment where the inter-relations between Plan Sponsors, Plans, Financial Advisors, Plan Administrators, and the operations of the TPA practice are all seamlessly harmonized to create the insight, knowledge and execution necessary to enable a profitable and annuitized TPA firm?

Fortunately, through the use of *'technology as an enabler*, many of the TPA operational challenges of the past are now being displaced by decisions, programs, and processes based on a clear and realistic understanding of the wants and needs of the very audience being served. Gone are the days of trying to guess the history of performance, eligibility, and Plan inter-dependencies. Rather, through the implementation of CRM software suites, TPA firms can quickly and reliably deploy and measure the effectiveness of their Plan offerings, Sponsors, and Referral Sources. Qualitative and quantitative judgment can now be applied when administering new Plans, negotiating competitive service fees, segmenting your market opportunity, and offering critically competitive best-of-breed Plan Sponsor service.

The decision to automate mission critical functions in an effort to enhance effectiveness should not be taken lightly. Central to the success of any project is not the technology itself but rather the quality of your internal processes and how you apply available technologies in both a unique and conforming way to meet your ultimate objective. With that in mind, we have identified the following elements as playing a defining role in the success of any CRM project.

This white paper will focus on 5 success concepts:

- Line of Business Sponsorship
- Simplifying Complexity
- Mission Critical Respect
- Education and Training
- Business Processes

Line of Business Sponsorship.

Coordinated operational initiatives are seldom successful without clearly exhibited executive leadership as the driver. By nature, behaviors and actions are influenced by the leadership behind the message. Strategic undertakings such as the implementation of a CRM system are valued not on the *means* of the how, but rather on the *end* of why. The articulation of the benefit received from employing such a solution is the role of the C-level leadership team. Once the employee base understands the benefit behind the initiative, and that it is a priority of leadership, the actual task of execution becomes an engaging process for all parties. Old habits die hard and without executive sponsorship behind any operational exercise, old habits will continue, thus negating any opportunity of realizing the *end* benefit. Initiatives are prioritized based on the importance of attaining strategic goals. Without executive sponsorship, it is inferred by the user that such a deliverable does not warrant the attention and usage for the precise audience it is intended for.

Simplifying Complexity.

The inter-workings of technology, in and of itself, are complex. But the use of such technology, as a job aid to accomplish a business task, need not be. Complexity is generally a result of viewing technology as the solution as opposed to an enabling component of the overall solution. Too often, we rely on IT to develop the 'tactical' requirements, focusing more on feature function comparisons than on business driven *strategic* requirements. Resulting is the delivery of a service, not a solution, which meets the technological requirements checklist but fails in both applicability and practicability from an user perspective.

Successful CRM implementations are generally the result of user generated business requirements, delivered in conjunction with IT resources, whose central role is to simplify the complexity inherent in any technology dependent deliverable. Usability is the key adoption component of any job aid. The easier it is to use, the more users will utilize your new forum, thus ensuring adherence to your strategic vision. In the case of a CRM project, the user community is the dog, the IT the tail. Empowering the *tail* to wag the *dog* is a risky path to success.

Mission Critical Respect.

CRM solutions, designed to manage processes and relationships, are just as mission critical to your operation as the accounting system you've enabled to manage your finances. In fact, without Referral Source relationships and Plan Sponsors, the need for managing financials would be irrelevant. Strong, viable Sponsors, referenced by reputable Financial Advisors, produce the financials necessary to carry forward any TPA firm's agenda. Since CRM systems are designed for users of all departments to provide a seamless insight into your entire client base, their impact and influence within a TPA is end to end. Due to the usage footprint generally attributed to a CRM rollout, ensure that you fund and resource such a project on par with any other enterprise-wide, mission critical project. Funding a CRM initiative simply on the merits of the price of the software, versus the cost of the implemented solution, is sure to result in disappointment, if not failure.

Education & Training.

Often overlooked and underfunded, user training for your CRM community is the most important component to achieve increased user adoption rates. Without proper training, users will either misuse or defer usage of their new job aid, assuring a diluted return on your investment. As a general rule, introducing anything new requires training, the precise degree dependent upon the role and skill set of your targeted user. To emphasize, training should not simply be a one-time event at initial rollout, but an on-going exercise to promote creative and learned uses of the application amongst the user community. The success of any system is quickly measured by user requests for additional capability. It is a sure sign that they have become dependent on the system for doing their job by wanting to push its usage to the realm of possibility. Failure to include mandatory training at the onset will no doubt result in user criticism, deference, and dissatisfaction of your newly automated platform. Unhappy users lead to unproductive users, resulting in inefficient and ineffective organizations, contrary to the whole objective for your CRM project.

Business Process.

Unique to any TPA firm is the way in which each practice packages, promotes, and services offerings to their diverse audiences. The process for creatively packaging competitive Plans, managing multiple Plans under one Sponsor, and the execution model for overall effective Plan Administration is specific to the culture and objectives of your firm. The way you carry on your daily undertaking is a business process specific to you. CRM systems do not create the business process, and rightfully so. Users define business process and then rely on CRM systems to make those processes reliable, re-usable, and repeatable. When evaluating and implementing CRM systems, ensure that the process you are looking to invoke is your own process and not one being forced upon you because of technological limitations. The onset of a CRM project is the perfect time to evaluate the effectiveness and applicability of your existing internal processes and to make any necessary adjustments as you automate these tasks going forward.

Build for the future.

At the core of any business charter is profitability. Whether it be competing for or retaining a Plan Sponsor or packaging competitive offerings that lead to firm profitability, the need for a TPA to understand the wants, needs, and resources of their client base is imperative. More important, however, is the firm's ability to apply that knowledge in building strong, annuitized relationships measured in differentiated value. Centralizing and audit-tracking all Plan communications, whether by phone, e-mail, collateral or meeting, enhances customer support and opportunistic transparency. Profitable clients are prioritized, sales opportunities are easily identified, and Plan Administration is optimized. With automated and repeatable process workflows becoming core to your practice, Referral Sources and Fund Companies will come to regard such firms as their 'administrators of choice'. Properly planned and deployed CRM systems can provide the in-depth insight and scalability necessary to support demographically different Plan Sponsors' goals and objectives. Employing the referenced "5 Keys to Success for Maximizing the Impact of Qualified Plan Management" is offered as a proven guideline should you embark on utilizing the benefits of CRM in your TPA practice.

For more information about CRM for Third Party Administrators and the concepts covered in this white paper, contact:

Quest Business Solutions

7920 Belt Line Road, Suite 215

Dallas, Texas 75254

Toll Free: 877-752-3036

Email: crm@questvar.com

URL: www.questvar.com

Quest Business Solutions

Quest is a professional services firm that provides organizations with fully integrated technology solutions. Established in 1985, Quest operates as a Microsoft Gold Certified Partner with a competency in Microsoft Dynamics™ CRM and an Intuit Solution Provider for QuickBooks Enterprise®. Our Microsoft certified consultants assist our customers in achieving greater efficiency in their operations, having greater visibility of their business, and reducing their Total Cost of Ownership in technology through customized contact management applications.

We take pride in offering customers the opportunity to truly understand their organization by utilizing our business solutions to manage their information. We speak your language and are happy to provide you with *Answers Not Acronyms*.