Client Case Study

Turning Multiple Systems into One

Boston Advisors Creates a Streamlined, Flexible Billing Process

PROFILE

Boston Advisors is an independent investment management firm, a majority of which is employee-owned. The 40-person firm manages approximately $2.4 billion, divided evenly between institutional and high net worth clients, with a focus on equities across various capitalizations.

BUSINESS SITUATION

Following a series of mergers, Boston Advisors found themselves with different legacy fee and billing structures and two separate invoicing processes. They quickly realized that there was a real opportunity to improve billing efficiencies and revenue analysis.

SOLUTION

In March 2005, Boston Advisors implemented an integrated billing and revenue management solution now known as Advent Revenue Center. It automates the billing process for investment managers and simplifies revenue analysis. A rules feature enables a firm to tailor the system to its own particular needs and processes, including client requests, fee structures and billing cycles.

KEY BENEFITS

- Enables the firm to standardize billing process and cycle.
- Accommodates any client requirement with rules feature.
- Integrates easily with Advent portfolio management platforms.
- Reduces staff time devoted to billing.
- Simplifies training and knowledge transfer of the billing process.

Like many investment management firms, Boston Advisors is diligent about managing its clients' money but recognized that they could improve the process of collecting their portfolio management fees.

The cornerstone for improving efficiency was creating a single, internally cohesive billing process. "Like many successful asset management firms our organization was formed through a series of mergers," Mr. Shea continues, "we had two separate processes for billing our accounts, one of which required full-time attention. The billing data was also working through two different locations, which caused delays in trying to track receivables and collections. It took longer to aggregate and analyze our total top line revenue."

The firm also saw the opportunity to standardize its billing cycles. "We had a rolling billing cycle where some clients were annual, while others were on varying cycles like semi-annual, quarterly, and even quarterly from February to April, as opposed to calendar quarter. In sum, we needed a system that would help create consistency on the billing cycle in order to gain efficiencies."

Change Drives Results

In March 2005, around the time of Mr. Shea's arrival at the firm, Boston Advisors brought order to its billing process with a new-to-market solution now called Advent Revenue Center.™* Specifically designed for fee-based investment management firms that charge clients on the basis of portfolio valuation, Advent Revenue Center automates and streamlines the entire process of client invoicing and revenue management. Allowing for a high degree of customization, the solution can be tailored to specific client requirements.

For Boston Advisors, the change had an immediate, positive impact on workflow, according to Mr. Shea. "The first time we used the new solution to generate invoices for all of our clients, we made some significant changes to our process," he recalls. "We transitioned everyone to a quarterly billing cycle. That was a huge undertaking and a lot of things changed on that first day."

The Customizable Solution

While bringing standardization to the billing process, Advent Revenue Center's rules feature gives the firm the flexibility it needs to accommodate different types of clients, fee structures and billing arrangements. "We manage money for high net worth individuals and for institutions," Mr. Shea explains. "And for institutional products, our fee structure is going to be different than for our high net

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worth accounts. Some clients pay in advance, others in arrears. Some people have certain exclusions. Some like to have their account debited to make a payment, while others prefer to cut a check from their bank account. Sometimes there are multiple recipients of each invoice —we can easily print out invoices for everyone who needs to be CC'd."

That kind of flexibility within a systematic process is a major advantage of Advent Revenue Center, according to Mr. Shea. "There are certain rules that are the consistently applied across every account, but there's certainly a wide degree of variation between the different types of clients. The rules feature allows us to accommodate any variable in the fee structure. There is nothing we can't do, no accommodation we can't make from a systems perspective—that is clearly a big win for us."

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> *Rick Shea, Treasurer, Boston Advisors*

Gaining Efficiency, Training New Users

Boston Advisors now has a single, centralized billing process, and the efficiency gains have been substantial, Mr. Shea says. "To give you a rough idea of the time savings we see with Advent Revenue Center, we used to have one full-time person who did nothing but billing. Additionally, we had another person who spent at least two weeks a quarter on billing, not including the time spent writing code and customizing our previous billing package. Now it's just one person's responsibility, and I would say we reduced the time involved by as much as 80%."

At many asset management firms, knowledge of the billing system is often limited to one or two people and difficult to transfer. With Advent Revenue Center, however, if the key person is absent or leaves the firm, the bills still go out accurately and on time. "The product is very intuitive so it's easy to have other people learn it," Mr. Shea notes. "You can have multiple people in backup roles. It's certainly not a black box that only one person controls or has the insight to operate."

Seamless Integration with Advent Portfolio Management Platforms

Boston Advisors has been using Advent's Axys® portfolio management system, and is in the process of migrating to the next-generation Advent Portfolio Exchange® (APX). A critical feature of Advent Revenue Center is that it integrates easily with both portfolio management platforms. That means client portfolio data can transfer automatically into the billing solution without the need for manual intervention and calculations that may result in errors.

For Boston Advisors, the integration has dramatically improved the link between operations and the treasurer's office. "It's really seamless," says Mr. Shea. "I can use the billing system interface to kick off processes within Axys—which is convenient for me because I'm certainly not a power user of Axys. That is a really handy feature and very easy to understand."

Advent Revenue Center provided Boston Advisors with a great opportunity to improve their billing process. From recognizing the strategic value of increased efficiency to full implementation, the firm forged ahead on the path of ongoing process improvement. "No piece of software alone is going to solve all your problems," says Mr. Shea. "But if you have a solid process, a really robust and useful software system like Advent Revenue Center makes your life that much easier."

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