



Rubin Goldman and Associates

Case Study



Advisor Changes Policy with Electronic Document Management

When you run your own small business, you're the boss. Well, most of the time anyway. In any business, there are some things you don't have total control over. For instance, the IRS has certain ideas about business taxes. OSHA has thoughts on safety. But for most businesses, the decision to adopt scanning and digital document management is one that's made by the small business owner alone.

However, if your small business happens to be in certain industries – those with stringent oversight and compliance regulations, for instance – electronic document management is not a one-person decision. It's not a call made entirely by the business owner. Andrew D. Rubin, CLU, ChFC, knows that to be the case.

As an independent advisor, Rubin has built a highly successful financial planning business in the Philadelphia area. Rubin, a principal and founding partner of Rubin Goldman and Associates, describes his organization as a boutique firm – one that is involved in a few different, yet related, businesses. "We're basically in the planning business," Rubin says. "One aspect of what we do is help high-net-worth individuals plan for the disposition of their wealth from one generation to the next in a tax-efficient manner."

Working with these clients often entails getting involved with succession planning for privately held businesses – finding a way to transition the business to the next generation or come up with an exit strategy if there's no family member or other heir apparent for the firm.

Rubin Goldman and Associates also gets involved in providing traditional benefits for employers, often through partnerships of sorts with other firms. "We joint venture with specialists in group health, group life, traditional employee benefits plans as well as qualified retirement plans, 401k's, pension and profit sharing," he says.

Compliance issues rank high

Much of Rubin's business revolves around the sale of life insurance to meet specific financial needs, along with investments and investment management, which is handled by an in-house investment officer and his team. It's in the life insurance work in particular where shared decision-making on document management comes into play.

Not only must Rubin meet stringent compliance requirements from insurance and securities regulators. So must the companies he represents – the firms that actually manufacture the products Rubin and his firm use to meet client needs. In many ways, compliance requirements for the insurance carriers, for instance, are more complex than for an advisor. And carriers have entire departments charged with compliance – their own, and that of the independent advisors who represent them.

Recently, Rubin took part in a detailed review by his carrier that looked at how he manages documents and meets compliance requirements. To say the process was in-depth is probably an understatement. But it was something Rubin was convinced would be worth the effort. That's because he's convinced that docSTAR delivers the security and integrity needed in his business.

Paperless? Yeah, right

Electronic document management has been on Rubin's mind for some time. "I remember about 10 years ago, the CEO of one of our large insurance companies stood up in front of a large group of people and said everything they were doing would eventually lead to a paperless office," Rubin says. "He couldn't have been more wrong." That's because as technology advances have led to reduction in paper, they and other factors have led to an increased necessity to generate it. "Now, when you create illustrations for policies, what used to be two or three pages can now be 19. And 16 of these are disclosure and compliance related."

It's this increased volume in paper that led Rubin to docSTAR, he says. "I got tired of paying more and more to buy file cabinets to store paper," he says. "We were paying up to \$40 a square foot to pile paper. It didn't seem like an efficient use of money, so I went to find a way to file and store documents electronically."

What he ended up with was a single scanner in his office, where one person handles all of the daily scanning for the entire 16-person staff. Staff members – slightly more administrative than non-administrative – prepare each of the documents for scanning, including how they want the documents titled. Then the scanner operator does the rest, converting paper documents to electronic images that the rest of the staff can access right at their desktop.

But it was more than just imaging Rubin wanted. The ability to ensure document integrity once something was scanned was a big part of why Rubin opted for docSTAR. “We settled on docSTAR because they had the technology and the software, the right software that ensured a document couldn’t be altered once it was scanned,” he says.

Full speed ahead

Once he made the decision to manage documents electronically, he wasted no time getting the system up and running. “We began to scan everything, so the staff could retrieve documents instantaneously,” Rubin says. Now, when clients call and have questions, rather than search through a file room, his staff can just sit at their desk and get the file right away.

The filing process itself made a lot more sense to Rubin than simply moving paper around. That led him to bring in part-time staff to work backwards through the paper files and get them all onto the system.

“We would catalog the documents, then get everything into boxes and then, eventually, get all the boxes stored somewhere,” he says. “We got rid of the file cabinets and cut down on our space requirements. It worked like it was supposed to work.”

Rubin’s office also employs optical character recognition (OCR) for some of the documents it scans. That way, they are searchable by keyword, too. And it’s taken to scanning everything – even notes from initial client meetings, as well as copies of documents clients bring in, perhaps old brokerage statements from previous advisors, employment contracts or any other document the client brings in. Then they’ll return the documents, or email copies back to the client for his or her own records. “When you’re working for a client, sometimes the process can take several months during which you collect files and documents,” Rubin says. “Sometimes things get misplaced or misfiled, so if we scan everything in right away, we know we’re not going to lose any documents.”

Benefits come quickly

Guaranteed access is just one of the benefits Rubin’s office has seen. Productivity has improved, as well. “It’s almost like night and day,” Rubin says. “Once a document is scanned, the electronic filing process is easier and quicker. It’s done in one spot, rather than having to wade through file cabinets and piles of paper.” And the retrieval process takes seconds. “No longer must someone get up from their desk, walk into another room, find the right file cabinet and the right file, and hope it wasn’t misfiled,” he adds.

Getting the system up and running was rather painless, Rubin recalls, thanks to local docSTAR Partner ImageNet. “When you’re breaking new ground, initially it’s sometimes tough,” Rubin says. “But implementation went just fine. And we haven’t had many service needs in the five years or so we’ve been up. It’s been rare that we’ve had to have them come out and do any kind of service call. And that’s good.”

Being on the cutting edge – or perhaps bleeding edge – Rubin is often asked if he’d do it all over again. “The answer is, ‘Definitely,’” he says. “Perhaps I could have saved a little time with some shortcuts. But we’re in a state-of-the-art situation. To be successful in business, you have to keep changing and you have to keep increasing your productivity.”

The office did just have to replace a scanner, but that’s not surprising given the workout it gets. The firm also upgraded software that allowed it to take advantage of enhanced DocSTAR functionality.

Productivity is key

Rubin believes that to maintain profitability, it’s important to do more with less. “Time has a price,” he says. “So the more effective we can be, the more productive, the more leverage we can create, the more tools we can give our professional staff and our producers, the better chance we’ll have to continue capturing market share. And that’s the name of the game.” Rubin says electronic document filing and retrieval has, indeed, leveraged people’s time. It’s made the office, in his words, “infinitely more productive,” in a short amount of time.

He hasn't worked the numbers, but he knows the change is dramatic. "When I speak to my assistant and say, 'We have a review meeting coming up tomorrow or Thursday with this person. Can you pull up copies of what we did last year at our review meeting?,' and five minutes later the files are sitting on my desk, I know it's working," he says. "You don't have to have a lot of experience to know that, in a couple of minutes, you've got something that might have taken 20 minutes before."

The docSTAR system comes in handy when a disorganized client calls, too. "We make copies of wills and trusts and other documents," Rubin explains. "And sometimes clients will call us up and say they can't find their copy." With a couple of mouse clicks, the client receives an email copy of the document, and Rubin and his staff become instant heroes.

Security is another plus. "If a document is scanned and password-protected, there's an added safety feature there," he says. "We deal with a lot of personal and private information, so from a privacy standpoint we do everything possible to make sure documents are protected." The same holds true – perhaps more so – from a catastrophe point of view. "We back everything up, and we're constantly storing things off site as a way to protect information if something catastrophic occurs," he says.

These benefits are on top of the \$40 a square foot rent savings, and the end of buying more and more file cabinets.

Fighting for freedom

Shortly after signing on with docSTAR, Rubin started working to gain even more efficiency and savings from the system by convincing folks in the compliance department at his lead insurer that electronic files were just as good as paper – or better. "For the last 4 years we've been battling with compliance to get rid of the boxes," Rubin says. "To me, it's safer than the old boxes. If you have a fire or something else catastrophic, having disks stored offsite is a lot better than just hoping that file cabinets or boxes hold up."

But it takes more than one advisor's opinion to convince an entire compliance department. So Rubin worked through all of the rules and regulations from state insurance departments and other organizations that govern records retention and management. He formalized his workflows and processes, and documented them in detail. He showed the security and integrity offered by docSTAR, and its AuthentiDate feature that verifies and ensures electronic document reliability. And he answered questions... and more questions... and even more questions.

"They needed to be certain we're following a set of procedures to insure that everything does get scanned, and that our hardware and software prevent documents from being altered once they are scanned," he says. "We passed those tests." They also needed to be sure procedures were in place for backing up and storing documents off site, that our procedure for naming documents was such that everything could be retrieved in a readable format, and that quality and integrity were maintained.

It's actually not enough that Rubin and his staff are able to access the documents. In case of an emergency or in certain other circumstances, the insurer itself may need to access the documents. So it's important that everything is in order – and easy to get to.

Bye bye boxes

That official record retention planning work and documentation paid off. The insurer signed off on his workflow, which will pave the way for Rubin Goldman and Associates to use its scanned documents as its official archive. Rubin sees that move as positive. Plus, it puts him back in the driver's seat of that part of his business. In fact, it's likely he will take charge soon – and oversee all details of the office's long-awaited file shredding party.