

# Franklin Park LLC

## PCA Streamlines Customer Access and Investment Analytics Capabilities for Financial Advisory Firm — Delivers Premium Services at Lower Cost



### ESSENTIALS

#### Challenges

- Uncompetitive Client Communication Capabilities
- Inefficient and Costly Labor-Intensive Processes
- Sophisticated IRR Algorithm

#### Solution

- Extend Internal Documents and Analytics Capabilities Directly to Clients
- Leverage Existing I/T Assets and Expertise

#### Key Benefits

- Enhanced Client Capabilities, Satisfaction and Retention
- Significantly Streamlined Internal Operations and Lower Costs

#### FRANKLIN PARK BUSINESS NEEDS AND CHALLENGES

Data is the life-blood of the financial services industry, and the Internet is the primary circulatory system that connects advisory services with their investor clientele. Direct access to investment documents and underlying financial data, coupled with powerful analytical tools, affords a major convenience and better informed and timelier investment decisions. Franklin Park viewed the Internet as an opportunity provide premium-level services to improve client satisfaction and retention, and achieve significant cost efficiencies by automating the collection and delivery of financial information.

An investment advisory firm focused on private financial markets, Franklin Park routinely deals with collecting, analyzing and publishing enormous amounts of complex financial data, and the firm invested considerable time exploring alternatives to streamline this process.

Commercial software packages and SaaS offerings lacked key capabilities, were limited in the ability to integrate with existing in-house systems, and were cost prohibitive. As a result, Franklin Park embarked on a path to develop an in-house MS Access / SQL system.

The in-house system worked well for Franklin Park until they encountered several needs that were beyond their expertise: the ability to provide Clients with secure, Internet access to investment-related documents, and more advanced analytical capabilities such as the Internal Rate of Returns, (IRR), widely regarded as the most appropriate means to measure private, illiquid investment performance.

*“PCA’s expertise and thoughtful approach allowed us to develop a highly effective offering that not only increased our effectiveness and operational efficiencies as a firm, but, more importantly, enabled us to address significant client needs.*

*Throughout the development and testing process, PCA worked as an extension to our firm’s staff, which enabled us to develop a solution that exceeded our expectations.”*

Neil Mowery, Partner,  
Franklin Park LLC

## FRANKLIN PARK ASSESSMENT

Franklin Park approached two separate technology consulting firms to encode an IRR algorithm in their proprietary SQL Server database — both fell short in their attempts. Programming an IRR algorithm is difficult; even the IRR functions in Microsoft’s Visual Studio .NET and MS Excel produce different results! Moreover, the IRR encoding effort needed to be accurate, fast and flexible — goals which are often mutually-exclusive when running complex, variable-driven calculations on very large sets of data over the Internet.

Franklin Park needed a consulting firm with expertise in complex financial calculations, expertise in MS Access and SQL Server, and expertise with Internet integration and performance optimization.

Franklin Park approached PCA, and following a brief engineering assessment of their needs, agreed upon a three-phase approach: (1) build the IRR calculation in SQL Server, which would achieve internal efficiencies for generating investment performance reports and analyses via postal mail and email; (2) build and deploy a simple, web-enabled document management system that would allow Franklin Park clients to access their investment-related documents over the Internet in a secure manner; and finally (3) modify the IRR calculation in SQL Server to enable Franklin Park clients to perform investment analysis directly over the Internet.

From PCA’s perspective, this was the logical engineering sequence and thus reduced technical risk. From Franklin Park’s perspective, the three-phase approach kept the project focused, delivered incremental value to their firm, reduced external client risk, and reduced internal project budget and schedule risk.

## THE PCA SOLUTION

Once the plan was approved, PCA implemented the IRR calculation in Franklin Park’s production SQL Server database, and testing confirmed that the algorithm produced the expected results. While this was successful in gaining internal cost efficiencies (and a lot of confidence in

PCA!), Franklin Park still relied on surface mail and email as the primary means to deliver investment material to their clients. confidence in PCA), Franklin Park still relied on surface mail and email as the primary means to deliver investment material to their clients.

Phase II — Franklin Park and PCA developed a web-enabled document management system that allowed Franklin Park clients to retrieve information related to their investments over the Internet, including investment accounting and legal documents. Success of this phase was measured by several factors: simplicity of the process for Franklin Park, ease-of-use and flexibility for their clientele, application performance, and finally, security.

PCA met the first objective by simply extending Franklin Park's existing report generation and management methods to the web-based solution. Storing a new document within a client folder on the Franklin Park network now also meant it was immediately available to the client via the Internet portal. The client-facing solution was a Microsoft ASP.NET web application that allowed clients to browse their

secure document file directories and download reports as needed.

Franklin Park clients now had on-demand access to their investment related documents over the Internet, and with far less effort required of Franklin Park investment professionals.

Over time, the new system enabled Franklin Park to gradually replace and/or augment traditional phone, surface mail and email communication among their client base. Cash flow statements, financial reports, legal and other financial documents were now available to authorized parties via a secure and substantially streamlined process, which yielded a significant improvement to information that was available to clients, and a significant reduction in operational efforts and cost all around.

The final phase in the evolution of the new system was to enable Franklin Park clients to perform investment analytics directly on their data over the Internet. PCA re-wrote the IRR algorithm so that it could accept multiple, dynamic variables including investment name and date ranges with optimal performance, and the results could be incorporated within customized client reports in ASP.NET dynamic web page format.

All reports could now be generated on-demand using client-defined investment parameters, and all results were directly exportable to Excel format. Rigorous testing of the dynamic IRR queries confirmed the final phase was successful in providing clients with the fast, accurate and flexible investment analysis capabilities they required.

Key benefits to Franklin Park included:

- Substantial cost savings vs. commercially available software
- Best practice standardization of Internal Rate of Returns calculations
- Improved client capabilities, satisfaction and retention
- Significantly streamlined internal operations with lower cost