Client Situation

In 2015, 1st Global’s compliance program was managed using a combination of homegrown tools, shareware and spreadsheets. Employee and compliance data was housed across multiple internal systems, which lacked integration and required considerable internal staff for ongoing support and maintenance. The firm’s onboarding process was paper-bound and required manual and redundant data entry. Email served as the primary means of communication across the organization.

Additionally, the firm’s Customer Relationship Management (CRM) system was aging and was no longer supported by the vendor. In all, the processes were inefficient, lacked an audit trail and had the potential to create non-compliance exposure.

The firm’s continued growth provided the impetus for 1st Global to evaluate their compliance technology and reassess whether it met their mission-critical objective of providing strong compliance oversight and continuous risk management. From the compliance standpoint, that growth manifested in 1,000 reps, 400 branches, 250 external audits and more than 6,000 sales and advertising pieces produced annually. 1st Global Compliance leaders knew the firm would have to upgrade its technology to streamline core compliance processes, drive important efficiencies, enable active compliance monitoring and risk management and provide a seamless onboarding experience for the firm’s financial advisors. In addition, the Compliance department wanted its employees to have more discretionary time to enable them to solve more complex problems than simply the management of day-to-day tasks.
Challenges

Historically, 1st Global employed email-based processes, paper-based forms and spreadsheets as well as a dated CRM system to manage their compliance program. This presented multiple challenges:

» Employees and supervisors lacked a consolidated view of outstanding advisor requirements and submissions, which impeded the ability to identify status and urgent items in a timely manner.

» Manual, keystroke-intensive data entry process exposed the firm to human error and potential compliance gaps.

» Manual and email-based processes required significant back-and-forth between Compliance and financial advisors, lengthening turnaround times.

» Users were required to navigate multiple systems to fulfill compliance requirements and check status. This often required redundant data entry across Licensing, Registration, and Compliance systems, resulting in data discrepancies over time.

» Advertising submissions from advisors typically cycled through a review process that lacked consistency across reviewers, burdening the advisors with follow up requests for additional information and resulting in unacceptable turnaround times.

» Onboarding process was paper-based and imposed a tedious completion burden on advisors, creating a negative impression at the beginning of their relationship with 1st Global.
Desired Solution

1st Global’s vision was to implement an enterprise compliance platform that would automate and streamline the management of all compliance, licensing and registration processes and accommodate the firm’s future business needs as they evolve. Core to this vision was establishing a central data repository that aggregated compliance, demographic and credentialing data from multiple firm systems.

Obtaining a clear view of compliance obligations and enabling stronger compliance oversight was a mission-critical objective. The firm envisioned dashboards that consolidated compliance requirements to enable advisors, supervisors and other users to precisely track outstanding obligations, status and key dates. Ongoing trend analysis to identify early, negative trends and support remediation via targeted training programs was also a key objective.

Additionally, the firm envisioned a paperless onboarding process that would create a seamless, burden-free and positive experience for advisors joining the firm. 1st Global viewed improving the advisor experience through technology-enabled onboarding and compliance program solutions as core to the goal of attracting and retaining top-level talent.

1st Global’s “culture of continuous improvement” drove the firm to charter a company-wide initiative with refined focus on strengthening their compliance program through the introduction of advanced compliance and operations technology. The firm initiated an evaluation to identify a commercial solution with the ability to scale for continued growth in the future. 1st Global’s requirements focused on eliminating manual processes, automating core functions, consolidating data from multiple systems, enabling robust reporting and analysis and ensuring data integrity with the desired outcome of improving efficiency while reducing risk.

At the conclusion of an extensive evaluation process, 1st Global selected RegEd’s Enterprise Platform and integrated solutions suite to support Advertising Review, Audit Management, Outside Business Activities, Personal Securities Monitoring, Onboarding, Compliance Questionnaires, Education & Training, Licensing & Registration, Reporting, Risk Monitoring and Designated Third Party (D3P) services. Unified under the RegEd Enterprise Platform, these solutions will power the 1st Global onboarding, compliance and credentialing program today and in the future.

“Our technology platform will deliver the resources and capabilities to enable the continued success of our business. RegEd was selected because they have the most comprehensive solution to address our broad spectrum of compliance requirements.”

Adam Schaub
EVP Compliance and CCO
1st Global
Implementation

RegEd, in partnership with 1st Global, undertook this enterprise implementation in multiple phases. 1st Global took advantage of the implementation to zero-base processes and address staff and end-user feedback and pain points from existing systems.

Prior to the project kick-off, RegEd Solutions Architects and Implementation Analysts worked closely with the 1st Global stakeholders to identify critical path business areas and processes and prioritize those groups for implementation.

Four phases of implementation were identified and the joint project team worked together to map 1st Global’s multi-layered hierarchy to system permissions, roles and workflows. In an early phase of the project, historical data was imported into the RegEd database from multiple 1st Global systems, enabling 1st Global to centralize their historical records for seamless search and reporting. Next, RegEd Data Integration Analysts configured nightly imports to enable the continuous synchronization of 1st Global data with the RegEd database, ensuring access to current and accurate credentialing and compliance data.

The joint project team worked collaboratively in an open dialog to identify the business requirements that would achieve 1st Global’s vision. The system was then configured to adapt to 1st Global’s hierarchy, unique business attributes, rules and work processes. The configuration was further optimized with the best practices that RegEd has honed across scores of similar implementations. User acceptance testing was conducted at key project milestones to validate the translation of requirements into technical configuration.

1st Global placed a strong focus on the human factor and identified the appropriate talent, skills and leadership for the project. The work stream was divided among sub-teams and leads were appointed. The firm developed a phased plan to train system users on how to best utilize the features and efficiencies of the new system and introduced a formal change management process to aid with the governance around project communications and ensure effective communications.

Commenting on the implementation, Adam Schaub noted, “The RegEd and 1st Global project teams were a strong cultural match, which made for a smooth, continuous dialog. RegEd implementation experts gave us great advice along the way, which really helped to fine-tune our configuration.”
Key Benefits

Strengthens Frontline Defense Against Non-Compliance Exposure
» Firm-level and employee-level compliance dashboards provide current, comprehensive views of compliance obligations.
» Clearly defined compliance requirements and simplified, intuitive user experience reduce the likelihood that individuals will overlook or disregard compliance tasks.
» Increased rate of adherence among the firm’s registered and non-registered population mitigates non-compliance and regulatory risks.

Drives the Highest Levels of Efficiency
» Eliminates time-consuming manual, email and paper-driven processes, increasing advisor satisfaction and significantly reducing non-compliance gaps and the potential for related consequences.
» Automates and streamlines core compliance processes and reduces the number of clicks required to execute requests.
» Fully searchable, centralized current and historical compliance data enables the firm to be fully responsive to document requests from internal stakeholders and regulators.
» Comprehensive reporting capabilities and audit trails enable firms to readily demonstrate proof of compliance.

Enables Compliance Insight and Transparency
» Powerful platform and reporting capabilities enable management by exception, driving more effective oversight.
» Configurable dashboards with consolidated current and historical data enable firms to identify important and negative trends and take action before risk materializes.

Increases User Satisfaction
» Simplifies and streamlines compliance processes, eliminates paper-based inputs and greatly reduces the data entry burden, delivering a seamless user experience to advisors, administrators and other users.
» Installs a central repository that aggregates compliance and credentialing data and consolidates that data into user-specific views of requirements, status and due dates, to instill confidence in the compliance actions to be completed.
About RegEd, Inc.

RegEd is the market leading provider of RegTech enterprise solutions with relationships with more than 200 enterprise clients, including 80% of the top 25 financial services firms.

Established in 1994 by former regulators, the company is recognized for continuous regulatory technology innovation with solutions hallmarked by workflow-directed processes, data integration, regulatory intelligence, automated validations, business process automation and compliance dashboards. The aggregate drives the highest levels of operational efficiency and enable our clients to cost-effectively comply with regulations and continuously mitigate risk.

Trusted by the nation’s top financial services firms, RegEd’s proven, holistic approach to RegTech meets clients where they are on the compliance and risk management continuum, scaling as their needs evolve and transforming the value proposition that Compliance delivers.

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