

“Ensuring Compliance in a Digital World”

How Charles Stanley is improving processes, compliance, and customer experience through secure enterprise content management

Overview

A member of the London Stock Exchange since 1852, Charles Stanley & Co. is one of the longest established stockbrokers in the UK. It is also one of the leading investment management companies in the UK, dedicated to serving the private investor. The firm specializes in areas from portfolio management, ISAs, PEPs, personal pensions, tax and healthcare planning, to corporate finance and broking, mergers and acquisition planning, and comprehensive market analysis and research. Much like many growing organizations, Charles Stanley accumulated large amounts of data spread across multiple formats such as paper, email, PDFs, website content, and images. Many years ago, the company realized that in order to operate in accordance with ever-increasing compliance regulations, they needed to store their business content in a singular, secure location to ease their search and retrieval processes. Since that

time, regulations have continued to grow at a bewildering pace. For example, businesses need to be familiar with relevant regulations and UK security laws, such as the Data Protection Act and Know Your Customer, which prescribes how personal or sensitive information has to be collected, processed and protected, to ensure their operations are compliant.

Mitratech spoke with Charles Stanley’s Head of ICT Development, Alex Stratton – whom has been with Charles Stanley for over 20 years – about how Mitratech’s DataStore solution assists the whole organization by storing and retrieving content in a secure, central location to improve internal process, compliance and customer experience.

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ALEX STRATTON

Head of ICT Development, Charles Stanley

Challenges

Regulations are on the rise, and with the cost of non-compliance now nearly three times the cost of compliance, organizations need a proven way to avoid fines, penalties, litigation, and reputational damage due to non-compliance. With the advent of these stringent regulatory requirements, Charles Stanley wanted the ability to process, securely store, and retrieve large volumes of customer data electronically.

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The amount of documents held by Charles Stanley proved to become an additional challenge; over time, the sheer volume of data grew into many terabytes that still needed to be accessed and retrieved on demand. Paper documents were especially troubling, and their impact was an inefficient use of real estate and employee time, not to mention the high risk they would face if a disaster, such as a fire, were ever to occur.

In addition to the growing volume of regulatory requirements, Charles Stanley wanted to offer clients a secure section on their corporate website to access their specific documents in order to provide a prompt and efficient service portal. Overall Charles Stanley needed a solution that would:

- Free up floor space, by converting legacy paper documents to digital
- Provide evidence to regulators that they have the processes to secure their documentation and retrieve it on demand
- Search vast amounts of customer information, in order to find the relevant content quickly
- Provide access to customers to find their own content
- Be confident information is safe, backed up, secure and indestructible

Solution

Charles Stanley originally implemented DataStore in 2001 as a content management solution, and rolled it out to all branch offices and across different operational departments. As part of the DataStore implementation, Charles Stanley conducted a major project to research and document the business processes within those departments. This included the capture, retrieval, and retention requirements of each, the types of documents being processed and the likely storage volumes, indexing criteria, and security considerations. A major back file-scanning project ran in parallel, converting existing paper-based files into an electronic format.

Alex Stratton, Head of ICT Development at Charles Stanley, is responsible for ensuring the reliable and smooth integration of departmental systems with DataStore.

As a solution to the challenges Charles Stanley faced, DataStore helps them:

- Upload any content, in any format – whether that is a driving license JPEG file, a paper invoice that needs to be scanned, or an email conversation
- Store information in a central repository, where they can use text search (including Optical Character Recognition (OCR) for images) to search all content and retrieve it according to requirements
- Provide evidence to regulators that their data is secure, backed up, and that nothing is in the system which should now be obsolete – such as out of date customer information, for example
- Integrate the system with other departmental systems to enhance employee productivity
- Ensure that customers can retrieve the information that has been internally produced and scanned and uploaded to our system.

Stratton highlights: “We can store documents connected with our client onboarding process such as anti-money laundering, driving licenses, and passports and can track for expiry within those documents or images and helps us to improve business processes based on this oversight.

Another example is that we are able to instantaneously reproduce and reissue the exact same document that was sent by paper or post to a customer if required rather than generating a new one.”

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The Value to the Business

The benefits are many as DataStore has grown in a central piece to processes, compliance, and customer service at Charles Stanley.



Auditing, Regulatory Compliance and Security

Organizations such as Charles Stanley that select DataStore understand the growing complexity of information, document storage, and retention compliance, as well as the technology needed to create solid information governance process in order to increase the responsiveness to regulators, internal business units, and clients.

With DataStore, Charles Stanley can provide regulatory assurance of data protection as they can evidence and record details of interactions with their clients by storing electronic copies of correspondence. This provides the compliance department with a “one-stop shop” for access to client information and communications. Audit coverage provides full knowledge, for example, when a letter was received and scanned and reports produced around the nature of a document. Comprehensive information is stored within Charles Stanley’s data center, behind their own firewall, in order to improve internal integrations with other systems and maximize data security and access.

Information integrity is a crucial requirement within Charles Stanley’s IT infrastructure. Regulatory requirements associated with anti-money laundering dictate that original documents supporting proof of identity are submitted with each new application. This, coupled with the increasing volume of incoming client account correspondence, means that DataStore’s comprehensive archive is immediately available to both the investment manager and the compliance team, an essential need for Charles Stanley.

Additionally, DataStore seamlessly integrates with both the existing Financial General Ledger system ‘CODA,’ including a similar interface, which enables them to view invoices, and to FIGARO, a specialist wealth management system enabling the company to execute and settle trades globally in multiple currencies.

Enhance Employee Productivity and Efficiencies

With the completed implementation of DataStore, all departments now have scanning capabilities and access to all client data applications. Numerous scanning/indexing stations located around the offices now handle scanning with retrieval of client and back-office information easily achieved using the DataStore application or through a browser from a custom built application using the DataStore API (application programming interface) from any desktop PC. This has resulted in the organization seeing enhanced employee productivity and efficiencies, and employees no longer need to chase or search for paper documents.

Employees will be able to locate and access documents using key words and information when they need it, truly allowing all relevant data to be available at their fingertips. Workflows have improved and the system helps ensure the correct process. For example, when a customer wants to make an amendment to their account, the request is attached to the workflow and kept as a record, rather than being manually emailed, saved, and stored. The company has also standardized the document types and the way they are filed across the business creating massive efficiency gains for the entire team.

Richer Customer Experience

Rather than having to call in to access contract notes and make requests for documents, Charles Stanley's

clients can log onto their accounts directly and download information autonomously, reducing the number of support calls and improving customer satisfaction. To the client, the experience is seamless as they are able to retrieve the documents from DataStoreDSX without leaving the website.

Most importantly, Charles Stanley's critical content is no longer at risk. Reducing the amount of paper by moving it to electronic documents managed by DataStore as part of a disaster recovery policy that reduces operational risk for the firm.

Tips and Best Practices

Inevitably, going through an implementation of this nature - using the system, integrating with other systems, and upgrading to a newer version - brings a lot of experience that could help other businesses looking for a secure repository of information to avoid costly fines due to noncompliance.

Stratton shared the wisdom he gained in this process:

Store documents against people, not products:

If a client were writing a letter to us, mentioning several products, we would originally index against each product and duplicate indexing and effort. What we should have done is index the document against the person that wrote it and use metadata properties to describe the content.

Consider folder structures and document

categories: Think about the hierarchy and folder structure you will want - what categorization of document types are relevant to the business?

Think about version control: If we produced a statement for a client and then amended and sent a new one, we saved two separate documents initially. We now use version control to manage this

Consider your audiences: Think where you want to present that data - which audiences, who is the consumer of these documents, with which systems they need to integrate with.

The Future of Customer Content

For Charles Stanley, the future is about moving towards a digital world. Paper is becoming more and more obsolete and they want to give their clients a digital experience. Keeping in line with existing and ever changing regulations will be fundamental, and now they have the systems in place to feel confident in their compliance. Finally, they are keen to make more use of the workflow tools in DataStore to change business processes and ensure they are electronic from start to end.

“The successful implementation of DataStore reaffirms the long standing relationship with Mitratesch and we look forward to enhancing and progressing that going forward. The technology that sits around content allows us to drive efficiencies and make the most of the rich information we collect and store. The management of documents is so fundamental to the business and having a modern technology solution allows us to meet regulatory obligations, while giving us insights into every piece of content. We can search and understand content in new ways and drive new business process through searching of that data. And we can now turn that into information that benefits the business, its processes and its customers, “ comment Stratton.