10 Questions

Bill Winterberg on Windows 8, Dropbox, Google Hangouts, and More

by Carly Schulaka

WHO: Bill Winterberg, CFP®

WHAT: Technology and practice management consultant

WHAT'S ON HIS MIND: "[Video] is how service providers are going to connect and engage with the next generation of clients. So if it's not on an adviser's radar now, it should be, and I think it's a worthwhile addition to make in 2013 and the years beyond."

PODCAST AND VIDEO INTERVIEWS: Check out our podcast and video interviews with Winterberg at www.FPAnet.org/Journal/Home/PodcastPage.

Every once in a while, two seemingly separate worlds collide, creating a compelling result. Such is the case of the professional expertise of Bill Winterberg, CFP®. Think software engineer meets financial planner.

As a young techie, Winterberg worked as an embedded software engineer for Hewlett-Packard Co. and LeapFrog Enterprises. When it was time for a change, he earned his CFP certification and worked as a registered representative, a registered investment adviser, and an operations manager at a planning firm.

Today, as a technology and practice management consultant, this unique mix of knowledge and expertise drives his passion for helping practices become more efficient, profitable, and service-oriented. What started simply as a blog in 2008, Winterberg's FPPad.com, has morphed into a robust consulting and media resource for financial planning and wealth management professionals.

In addition to writing about technology for the *Journal of Financial Planning* and *MorningstarAdvisor*, Winterberg has been volunteering on the FPA Business Solutions 2013 task force, helping to program the cutting-edge content of FPA's annual practice management and technology conference, March 7–9 in Chicago, Illinois. We caught up with Winterberg recently, between sessions at Laserfiche's Empower 2013 conference, to pick his brain about Windows 8, Dropbox, Google Hangouts, and more.

1. *In your experience, what is the biggest technology challenge financial advisers face, and what is your advice for overcoming that challenge?*

The challenge I think financial advisers face is there's much more choice than ever before in technology solutions, so many advisers really want to get a handle on all the available options and all the choices that are in the marketplace, but to a large extent, they get paralysis from analysis.

At the risk of making a wrong decision or a poor decision, many advisory firms and many planners fail to move forward with some of the options that really can push their business forward,

help them grow their business, and help deliver better service to clients. So often, what I tell planners is, if you were going to start 2013 by launching a brand new firm, what would that firm look like? What would the technology tools be that you would select and put in place?

Identify those tools, put those down, create a plan of what that ideal office would be. And then, compare that with the practice the planner has today. Start creating a pathway to join the two. Create some type of bridge that takes what the characteristics are currently of the business and of the firm, and think about what needs to happen—what change needs to take place, and what timelines and what responsibilities each person within the firm is going to have, to move toward that ideal vision of the firm.

2. *We've heard a lot of hype about Microsoft Windows 8. Should planners invest in it?*

Some planners really will have no choice. They will have aging hardware, aging desktops, aging laptops, and if they want to replace those units, in large part, they're not going to have a choice. They'll buy new hardware and it's going to come with Windows 8.

On the flip side, some planners use legacy software that may not yet support Windows 8, although Windows 8 does have a way it can run in a mode that's compatible with some legacy software programs. It's not a complete nonstarter, but personally, I don't think planners need to make the purchase.

Two years ago I left the Windows operating system, but I didn't have a lot of the legacy apps, the portfolio management software, and financial planning software. But I'm really happy by leaving Windows and moving toward the Mac operating system. I feel I'm more efficient. I feel like the operating system is easier to use. I don't have to install updates so frequently. I don't have to run security patches so frequently.

But certainly, for planners who have the choice, they can run Windows on their Mac computer. They can use software like Parallels, or they can use software like Fusion from VMware and still support those legacy applications that need Windows but move everything else as reasonable as is possible over to Mac. In the next five years, I think a much larger portion of planners are going to be running their business using Mac computers.

3. *Do you think planners are using iPads effectively in their businesses, and if not, what tips do you have for maximizing the iPad's business potential?*

Any planner or adviser looking to use iPads for their business really needs to focus on security first. There's a lot of uncertainty around the ability to put client information and sensitive information on mobile devices, so advisers need to check with their broker-dealer, where applicable, to see if they can use mobile devices with client information.

For independent advisers, they need to have in place some policies and procedures that address the use of iPads and mobile devices in their practice. I think with the appropriate tools in place and the appropriate security considerations, planners absolutely can use these tools.

Do I feel that planners are using [iPads] effectively in their business? By and large, no. I still receive a lot of questions from planners about the best apps to use for client information, the best way to interact and engage with clients. So certainly, planners can look to their existing solution providers for CRM apps, portfolio management apps, document management apps that are extensions of the systems that they already use.

But advisers should become comfortable with using iPads to present information to clients and figure out how they can use their iPad and connect it to a projector or a large-screen TV. And they can do that wirelessly through the $99 Apple TV. If they have Mac computers in their office, they can connect it using an application called Reflector, so they don't need to buy an extra hardware device. That allows the planner to perform a little bit of magic and present a pretty effective presentation by touching and interacting with reports and other materials, and having that image reflected on a large projector or something in a conference room.

And finally, advisers certainly can edit their office documents—their Word documents, PowerPoint documents, spreadsheets. They don't need a Microsoft-specific app to make that happen. There are lots of alternatives that can give them the ability to work and edit information when they're away from the office, and work when and where they want, and give them the choice of how they do business.

4. *Are cloud storage systems safe for advisers to use with clients' files, and what do you think about Dropbox?*

I'll start with Dropbox. A really popular article on FPPad addresses what advisers want to know: Is Dropbox safe? Can I use it with client materials? The answer is not clear, but there are steps advisers can take to add protection to client files and increase the security before they place it on services like Dropbox. That's what I urge my clients to do.

If they're going to use a consumer service like Dropbox, I think it is incumbent and it is the planner's responsibility to add some encryption, add some extra layers of security so that if something were to happen to the Dropbox service—if there was a targeted attack, or if there was a hacking incident—the

adviser still has mechanisms in place to protect that information. So no, not all of these online storage systems are safe. They're not all adequate to put client information on.

Again, for planners affiliated with a broker-dealer, they have to check with the broker-dealer first before using any of these services. But for those independent firms, absolutely research every vendor appropriate, learn what security is in place, learn what the vendor does to encrypt information, and seek out services that go above and beyond Dropbox. And add enterprise-type features, things like being able to set permissions, being able to set up expiration rules and retention rules. You won't find those features on Dropbox.

5. *In your opinion what are some of the best back-office technology solutions for planners?*

It's a great question. I wish I could just list them, but I have to be neutral here, and the reason is all planners have different requirements. All offices have different requirements. Planners should really identify those tools that give them automation and give them the ability to systematize redundant practices, redundant processes that are used day in and day out in their business. Good examples are having planners and advisers use account aggregation software, so no internal time is spent manually typing in security information.

Another great example is rebalancing software. That saves hours—potentially hundreds of hours—per year, which results in significant cost savings as well as liability reduction for the firm in terms of fewer trade errors. And also document management and content management, the ability to put documents in files online, in a secure location, and to be able to retrieve that quickly and efficiently—that results in time savings, and time savings is financial savings.

So anything that helps the planner create more time to meet with clients and prospects, and grow their business, those are the best back-office technology tools that they should add to their business.

6. *What's your take on Google Hangouts? If planners aren't using it or perhaps aren't even aware of it, should they be?*

I think Google Hangouts is not for everybody, but I'm very attracted by it. But that's because I'm a pretty heavy Google user, and I understand that lots of planners and advisers don't have the same interest in handing over a lot of information to Google. So it's not for everyone, and you can have video conference meetings with software like Skype and FaceTime if your clients have Apple devices, even WebEx or GoToMeeting.

Google Hangouts has a lot of the same features as those other services I mentioned, but what I really like about Google Hangouts is its On Air broadcasting feature, because it gives you a very simple platform to actually broadcast your video conversation live over the Internet.

It's also integrated with a YouTube channel, and from a compliance perspective, there are a lot of vendors that can archive and capture YouTube content. So it's a great, integrated way to have these video broadcasts and allow the adviser to talk about whatever it is they want to talk about—their value proposition, or market commentary, or planning opportunities with respective tax changes. But they don't have to worry about compliance, because it's built-in with the integration with YouTube and their social media archiving provider.

So yes, there are other services that will allow planners to do videoconferencing, but if you want to do the on-air stuff, get comfortable with Hangouts and explore the possibilities that planners can use it for.

7. *Some planners are hesitant to embrace social media because they're afraid of the time-suck it will be. What tips do you have for being productive with your social media efforts?*

I look at this question two-fold. First, how can planners and advisers get the most benefit and realize the most value from the time they spend on social media? I would advise planners and advisers to look at each post that you're publishing. What's the benefit to your larger audience? Are you posting this to educate, or is this just to toot your own horn and just to have a one-directional conversation?

If it's the former where there's beneficial information, it's educational, that's a good way to establish a beneficial profile on social media and engage your audience with information that they can really use. The latter, which is the unilateral messaging, the one-dimensional billboard of, "Hey, I'm a planner and I help business owners," it's really not necessarily captivating for an audience at large.

One of my favorite tools that I tell planners about is RescueTime. It's $72 per year, and it has a pretty handy feature where I can set alerts, so if I've spent X number of minutes on social media for that day, RescueTime gives me a nice little pop-up in my screen that says, "You've exceeded X number of minutes across your social media sites."

RescueTime's monitoring the websites and the different software that I have open on my computer, and if it turns out I'm spending a little too much time on Twitter or on Facebook, I get that reminder, and that prompts me to shut down those websites and get back to the task at hand and do the work that my clients count on me

to get done, but also do the work that helps push my business forward.

8. *What are your compliance tips for using social media?*

First off, anybody with a relationship with a broker-dealer must check with their broker-dealer and identify what's permitted and what's prohibited, and work within those constraints. Independent advisers and planners need to have a process for their firm. Everybody needs to be trained. [The process] needs to be updated like any other compliance activity that they perform in their office.

Clearly, any adviser using social media has to archive everything, and the inefficient way to archive everything is to try and do it manually. The efficient, productive thing to do is partner with a vendor that automates the compliance. Perhaps that vendor offers a dashboard that makes it even more efficient to post to multiple services, aggregate updates, and build that archive. Those vendors really are valuable. It's not an expense. It's an investment in productivity because the adviser is able to build beneficial information through the use of social media but [does] not have to spin their wheels doing manual archiving and copying and pasting of information.

9. *You wrote in the January issue of the* Journal of Financial Planning *that planners should consider enhancing their web content with video. What are some of your favorite video editing programs?*

Like I said earlier, two years ago I left the Windows operating system and now I use Mac exclusively, so my favorite video editing program is Final Cut Pro X. It's $299 from the App Store, and it is really full-featured. I only use 10, maybe 15 percent of the features that Final Cut Pro offers, but I like it because it allows me to do multi-camera video and switch between my multi-camera angles very quickly. And I can drag in photos, and I can drag in other screen tasks and other video in the timeline and make a pretty complex video in just a couple of minutes.

There's a little bit of a learning curve with Final Cut Pro, but I think most planners and advisers are going to be like me—use 10 or 15 percent of what it can do and create high-quality, well-edited videos. I don't think most advisers should learn 100 percent of what Final Cut Pro does. I'm not going to learn every feature it offers.

I think there's a really valuable relationship in advisers partnering with a professional video editor and allowing that editor to learn about the firm, learn about the adviser, and create a message and a brand using their techniques to create some great content. Certainly it's going to cost a little bit more, but take a look at what's happening on the web and what's happening with the proliferation of video content.

[Video] is how service providers are going to connect and engage with the next generation of clients. So if it's not on an adviser's radar now, it should be, and I think it's a worthwhile addition to make in 2013 and the years beyond.

10. *What's the most innovative technology solution you've seen come out in the last few months or so?*

The most innovative solution I've seen—and I gave it the innovation of the year recognition in my *MorningstarAdvisor* column—is inStream Solutions.

Yes, it's financial planning software, but often what happens with most financial plans is planners create them specifically for one client. They use the knowledge in their head about tax rates and information, and portfolio assumptions, insurance assumptions, cash flow assumptions. They use their knowledge to put this plan together, and then they repeat that process as new clients come in the door.

What I think makes inStream so innovative is that it opens up plans so that knowledge and information can be shared among all of them. Planners can begin to look at the 100 plans that they've created for 100 clients and now identify similarities and differences and be able to extract and interpolate plan information based on demographics, the ages of clients, how many children clients have, the kind of college expenses that have been estimated across these hundred plans. And they can begin to use that information to, I believe, make better-informed decisions and better structure plans for their clients.

There's also the chance with inStream that that information will expand beyond a planner's business, and they can participate. I think they will elect and volunteer to participate in this data exchange. And so, not only do they see the general trends in their own personal assumptions that they make for their clients, but they see the assumptions that other planners have made.

It's anonymous data, but there is a tremendous insight to be gained by using that aggregate data to see if their plans are really far off the spectrum of what their colleagues are doing, or do they really fall within that bell curve of generally accepted principles that have been put in place nationwide, and perhaps worldwide, with other colleagues.

I think that opportunity and that exchange of information really offers a tremendous benefit for planners, but also a tremendous benefit for clients, because their deliverable—their end financial plan—has much more intelligence built in and probably would be a more effective tool in helping those clients meet their financial objectives. ■

Carly Schulaka is the managing editor of the Journal of Financial Planning. *Contact her at Carly.Schulaka@FPAnet.org.*