

**CASE STUDY**

# HARVARD MANAGEMENT COMPANY INC.



Manages Harvard University's endowment and related financial assets with a singular mission to produce long-term investment results to support the University's educational and research goals.

## CUSTOMER DETAILS

Harvard Management Company Inc.

[www.hmc.harvard.edu/](http://www.hmc.harvard.edu/)

## INDUSTRY

- Financial Services

## SOLUTION

Pivotal CRM

## CHALLENGES

- Different systems, platforms and formats prevented functional data integration
- Multiple systems created user inefficiency and IT support / enhancement challenges
- Multi-step processing activities were inefficient and any data related errors could potentially inflict reputation damage

## BENEFITS

- Integrated systems minimize/eliminate keying errors and streamline processes
- Custom CRM delivers single-step access to detailed files and donor records
- Broad view dashboards promote stronger collaboration between business divisions
- Single platform simplifies user experience and development support/enhancement requirements

## CUSTOMER SUMMARY

Formed in 1974, Harvard Management Company (HMC) manages Harvard University's endowment and related financial assets. HMC's singular mission is to produce long-term investment results to support the University's educational and research goals. Returns from the endowment support academic programs, provide financial aid, and fund science and medical research.

HMC pioneered and continues to implement a hybrid investment model for endowment management. The company manages money through internal investment professionals and through relationships with third-party managers. It's an approach that provides depth and breadth to HMC's market perspectives. HMC's senior investment professionals also teach and lecture on campus, speak before alumni and donor groups, and appear at numerous University functions.

Over the years, HMC had developed a series of technical applications for each business problem and group within the Trusts and Gifts department. This disconnected data environment made it difficult to maintain data, promote IT consistency, and support a common knowledge base. From a CRM perspective, HMC needed a streamlined way to provide enhanced service to thousands of donors and beneficiaries, plus related customer and contact groups, such as lawyers, brokers, financial professionals, and many other parties.

The company recently implemented Aptean Pivotal CRM to give staff electronic access to centralized, detailed donor and related investment data. After thorough market research, HMC chose Pivotal CRM for its simple learning curve, full integration with Microsoft productivity tools, and personalized customer service.

## CUSTOMIZABLE CRM

The HMC organization has a dedicated team responsible for managing various forms of charitable donations. Donation types may include public stocks and bonds which may be immediately sold, as well as less liquid gifts, such as homes, personal estates, jewelry, coins, paintings, etc.

Other common gifts, referred to as "planned giving" include a variety of Trust types from which a donor can choose which suit his/her charitable interests. In selecting a Trust, there are several factors to be considered including tax details, timing, beneficiaries, asset allocation, and others.

After working with business stakeholders, IT and Pivotal partners CRMculture, HMC developed a front-end CRM interface that gives users full access to multiple functions and platforms – all with a consistent look and feel. When staff sets up a Trust, for example, the new Pivotal solution will manage and incorporate all necessary information, such as names, addresses, payment calendars, accounting codes, interest rates, prices, beneficiary information, etc., as applicable. The system even enables staff to create and batch process millions of dollars in Trust payments to Beneficiaries, and electronically link to documents directly through the CRM. "I thought CRM was like a beautifully designed Rolodex with information across different business units linked together," says Patrick Conlan, the Project Manager at HMC. "But it also can do so much sophisticated processing, which ensured that we had an end-to-end solution for our users."

HMC took the Pivotal solution live over a six-month period and has received extremely positive feedback from both end users and senior management. The solution is fully scalable to accommodate future gifts without database capacity limits. Most importantly, HMC employees have detailed records at their fingertips and can provide seamless, personalized service to every donor or company contact. The system also enables

the HMC team to view data across business areas to achieve a more thorough understanding of each donor and transaction. Custom controls protect sensitive data, but employees are better equipped to work in a holistic manner and provide deeper value across the enterprise.

## VALUE-ADDED DATA INTEGRATION

HMC built on its Pivotal CRM implementation to develop a series of value-added data and service integrations. For example, the system automatically accesses Bloomberg stock price data simply by typing in the date and ticker symbol – eliminating potential keying errors and saving time. The team also linked the CRM to HMC’s digitized document management system. Users can click an embedded link to access a wide range of digital document files, such as tax forms and legal documents.

HMC Accounting is also integrated with the CRM, enabling users to set up a Trust in Pivotal, for example, and automatically stream data to the accounting system. This process saves time, maintains data integrity and minimizes re-keying. In the same vein, HMC has integrated its check and e-payments system to access source CRM data. Trust payments (such as annuity payments) are processed in the Pivotal CRM and linked to a payment file that includes banking information, mailing address, and other details. The files are then fed from the CRM to the appropriate internal system for processing and distribution. It’s a sophisticated yet simple process that saves significant employee time and maintains a high degree of data integrity.

Another process enables CRM users to streamline gift liquidations. A stock portfolio donated to Harvard could be quickly valued through the Bloomberg data integration, then batched together, sent to the trading desk and immediately

sold. Bank notifications then provide detailed settlement related information including fees, commissions and other key data, which are stored in Pivotal as permanent records.

The company’s CRM integrations have streamlined daily activities and tightened internal processes that reduced the organization’s processing risk. Implementing Pivotal has facilitated the implementation of a fully electronic, automated, centralized reconciliation process that provides built-in controls and sends out email alerts, and can be queried for Key Performance Indicator (KPI) reports. Users can also view payment status and records to provide donors and auditors with up-to-the-minute information. Separate HMC teams are better equipped to collaborate through shared data access and system integrations.

## ERROR PREVENTION PROTECTS HMC’S PUBLIC IMAGE

Integrating HMC systems and business functions through Pivotal CRM has reduced operational risk and improved data integrity throughout the process - a significant benefit for an organization that must protect its strong public reputation. HMC stakeholders include not only donors and service providers, but also Harvard University and the U.S. Internal Revenue Service; company processes and practices are designed to withstand widespread scrutiny.

While HMC has enjoyed a highly successful CRM implementation, Conlan says there are always lessons learned in projects of this size. “It’s important to dream up exactly what you want your CRM to do. We weren’t just copying our old systems and putting them into Pivotal. We were dreaming up the very best system we could imagine and making it

happen. And in doing so, we have surpassed the expectations of all of our business users.”

The customization projects quickly expanded in scope as the team identified new CRM opportunities. “It was intense, given the growing scope of the project and the timeframe”, says Conlan.

Even so, with all hands on deck, including dedicated support from the Pivotal team helped HMC to complete its implementation in just six months and achieve its rollout targets. HMC now has a powerful, scalable CRM solution that delivers immediate data access and efficient process integrations which benefit the entire organization.



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