

How Technology and Innovation Fuels Pathstone's Growth

AgilLink's secure bill payment and cloud accounting solution is a key component in helping Pathstone increase controls, scale their operations and provide more holistic reporting to their clients.



Using Technology to Grow and Scale

The industry has seen many multi-family offices struggle to grow after they've reached a certain size, usually between \$1B - \$5B in assets under management. Their growth stalls, because they can no longer rely solely on human capital and require an investment in technology and automation to unlock more capacity.

Today Pathstone manages around \$28B, but they weren't always that large. In their early years, they went from \$1.4B to \$4B in a relatively short period of time. They were using a lot of manual processes and disparate systems, like Excel and Visual Basic to run their operations. As they grew and brought on more advisors, the challenge of handling larger volumes of client data made the automation of processes that were traditionally done manually a necessity.

The Proof is in the Capacity

The best proof point for the boost that AgilLink brings to advisors is in their capacity for growth. Pathstone brought on an advisor that was previously managing \$2M of revenue. He simply did not have the capacity to grow anymore, because he was too busy focused on chasing down data and completing value tasks such as re-keying information into spreadsheets and search shared drives for documents. By providing an integrated technology platform that includes automation workflow this same advisor increased capacity and now manages \$5M of revenue.

For Pathstone, the key to breaking through the terminal velocity was combining the right tools, with the "know how" to make them work for their operations team. "Today," Matthew Fleissig, President of Pathstone says, "technology is core to Pathstone, It's us. It's everything about scale and automation and what people can do."

Opportunities:

- ▶ Increasing scale and efficiency
- ▶ Providing more controls without reducing scale
- ▶ Enabling advisors to provide a higher degree of service
- ▶ Providing clients a 360 degree view of their wealth

Solution: AgilLink's secure bill payment and cloud accounting solution

Results:

- ▶ Pathstone is able to scale their bill payment and accounting operations paying over 60K bills last year
- ▶ Advisors are able to manage larger books by being able to focus on high value tasks
- ▶ Using AgilLink's API, Pathstone was able to create 360 degree view of a client's wealth by combining financial data with investment data



Automating the Bill Pay Process

Pathstone has offered bill pay from the start, however it's recently become a major trend in the wealth management industry. Additional services such as bill payment are gaining popularity as core services such as investment management become more of a commodity. Bill payment provides an additional layer of stickiness that helps to attract and retain clients.

By implementing AgilLink, Pathstone now has a singular system where their operations team can access their financial accounting data, along with document imaging, multi-client bill pay with custom rules, approval rights and full audit capabilities. Using AgilLink, Pathstone was able to process in the neighborhood of 55,000 – 60,000 bills for clients last year. Fleissig says, "You may be imagining a giant bullpen of people signing checks and recording transactions, but that is not the case, because of the partnership that we have together."

Opportunities AgilLink presented for Pathstone

When Pathstone first started working with AgilLink, more than 10 years ago, Matthew Fleissig along with Brian Kleinman, the founder of AgilLink, shared a common vision of connecting their general ledger with investment performance data to gain a 360 degree view of a client's financial life. In 2017 it became a reality, and a turning point.

The ability to integrate AgilLink to Pathstone's investment reporting system allows Pathstone to provide more comprehensive reporting and arms their advisors with a truly holistic approach to advice, tax preparation and better decision making.

According to Fleissig,

“ Eventually you have to take this leap from trying to do everything in-house to using a professional scalable software. One of the reasons we've had such a successful relationship with AgilLink, is because there's no way we're going to create a better multi-client bill pay and general ledger system that also combines imaging with custom rules and workflows.”



About Pathstone: Pathstone, the modern family office, is an independently operated partner-owned advisory firm, offering families, family offices and select nonprofit institutions comprehensive family office services and customized investment advice. Pathstone's objective is to help clients create, manage and preserve wealth across generations. Pathstone integrates smart innovative programs with its traditional family office services to provide solutions that withstand the test of time.

About AgilLink: AgilLink services the needs of family offices, business managers and sport management firms that offer pay bill and accounting services.

Our secure bill payment and specialized cloud accounting solution incorporates document management, approval workflow, investment data integration and online banking with City National Bank.

Founded in 1976, AgilLink has over 40 years of industry leadership and expertise, 300 clients, 4,000+ users. Our clients trust and rely on our software for their critical business operations.