



Customer Profile: The Fragasso Group

A Financial Services Company Enhances Customer Service and Maximizes Investment with TeleVantage

For a financial services company like the Fragasso Group to be competitive, staying in touch with customers is critical.

Financial analysts constantly dialogue with customers and perform quarterly and annual reviews. From intensive conversations about investment management, to scheduling appointments, to routine calls, phone usage at the firm is very heavy.

In business since 1972, the Pittsburgh-based investment management and financial planning company was about to open their first suburban branch office in South Hills, PA, and they needed to decide on a new phone system. Although the phone system at company headquarters in downtown Pittsburgh was only two years old, there was already a lot not to like about it.

Company founder and president Bob Fragasso especially didn't want a repeat of the service headaches he was experiencing.

Problem

- Routine system maintenance on the proprietary phone system at company headquarters required costly service fees.
- Some callers were intimidated by the impersonal phone prompts, and hung up when they failed to reach a real person.

Solution

- The Fragasso Group chose Vertical's TeleVantage, a software-based phone system, for their first suburban branch office.
- TeleVantage allows the company to present a friendly, welcoming face to their customers and easily connects callers to the person they are trying to reach—reducing the number of calls abandoned by "technology-averse" callers.
- In-house system administration means branch office staff can perform many routine tasks themselves—with no need for a maintenance contract.

Result

- Improved employee productivity—eliminating the need for another full-time administrator, saving the company \$30,000.
- The Fragasso Group was able to save over \$300 per phone compared to their proprietary PBX and \$4,000 in annual maintenance fees.
- The company credits TeleVantage for contributing to their success, resulting in being named to the "Pittsburgh 100".

TeleVantage is easy to operate and saves on service costs

One key feature that attracted Fragasso to TeleVantage Vertical's software-based telephone system, was the ability to control after-service activity from the branch location. "At headquarters, whenever we have a problem, we have to call in a very expensive service person. I'm not a fan of maintenance contracts. We finally went with one because it worked out to be cheaper, but it's costing us \$4,000 a year. With TeleVantage, we don't need a maintenance contract. One of the many advantages of TeleVantage is that we are able to solve problems ourselves. As soon as I saw TeleVantage, I knew I didn't have to look any further."

In Pittsburgh, as in other parts of the country, there are many new telephone exchanges to accommodate the growing need for numbers. On the original system, The Fragasso Group had to batch the changes, and then rely on an expensive service person to program the numbers into the system. Says Fragasso, "With TeleVantage, the staff at the South Hills branch can add them in. They are totally comfortable doing that. And I am comfortable that the folks who operate the system are our own employees—financial analysts and administrative folks who are staffed at the branch."



Customers get a high-tech, high-touch welcome

The Fragasso Group serves both pre- and post-retirement clients and studies show that older clients can be very technology-adverse.

At headquarters, many of the firm's older clients were hanging up when they did not reach a real person. They wouldn't even leave a voice-mail message because they found the phone system so intimidating. To cut down on abandoned calls, the firm staffs a full-time receptionist/switchboard operator at headquarters.

Not a problem in the South Hills office. Fragasso credits the customizable Auto Attendant of TeleVantage with helping to keep callers on the line. One of the branch employees recorded the Auto Attendant prompts to provide a friendly and comfortable welcome that makes callers feel as if they were talking to a real person. "The fear was that the lack of a human attendant would be a detriment, but that's not been the case in the South Hills office. The instructions callers hear are easy enough that people use the system."

TeleVantage users at the branch also customize their own telephone greetings to accentuate the personal touch for callers. According to Fragasso, "The ability to program messages in an interesting way is powerful. For example, 'I see your call coming in, if you'd like to hold press 1, if you'd like to leave me a message, press 2.' It goes back to John Naisbitt's 1982 book, *Megatrends*, which stated that the more high-tech you get, the more high-touch you have to get. TeleVantage has clearly integrated a high-touch element in the midst of its high-tech capability. Give Naisbitt the credit for the concept, but it's definitely personified in the TeleVantage system."

Michael Fertig, manager of the South Hills office, agrees. "With TeleVantage, we now get very few abandoned calls. Having the ability to change our greetings so easily is great. I have a standard greeting for when I'm here and one for when I'm not here, so callers know immediately when I'm going to get back to them."

TeleVantage increases employee productivity

There are two administrative people employed at the branch office. Without TeleVantage, Fragasso is confident that one of them would be tied to the phone a lot more of the time. Instead, he says, "With TeleVantage, our two administrators are able to focus on client paperwork and other administrative issues involved with managing

clients' funds. If we added the burden of answering each phone call individually, having a conversation with the caller, and routing the call, we would possibly have to add a third person so there is potentially the cost of another employee saved. Or if we decided not to add another administrative person, we would drag down the productivity of those two people, and it would take days longer to get things done."

The *Pittsburgh Business Times* recently recognized The Fragasso Group in the "Pittsburgh 100," a ranking of the 100 fastest-growing closely-held corporations. Fragasso finds this award particularly gratifying in an industry that is experiencing a down year. He credits TeleVantage with contributing to the win. "We're big on productivity tools. We're not techie people who want the latest toys. We want tools that will help us be more productive. We have an extremely competitive industry, and we have to give more while keeping our prices in line, and we cannot do that unless we are productive. Technology such as TeleVantage does that, so I'll give TeleVantage the credit."

TeleVantage saves money up front—and down the road

Buying TeleVantage complete with all the components like phones was considerably less expensive for the Fragasso Group than going with the same system as at headquarters. For example, the phones used with TeleVantage are off-the-shelf and cost \$80 per phone. When they add a new person on the system at the headquarters, they have to buy a \$400 phone that goes with the switch.

If he were to purchase TeleVantage for an office the size of headquarters, Fragasso says, "I could pay for the system just with the difference in phone costs. As a business person, it's hard to justify throwing away a 2-year-old phone system, but by the time the lease on the downtown office is up, whether we stay or not, TeleVantage would make sense."

Three more suburban offices will be opening soon and Fragasso has no qualms about installing TeleVantage in those offices. "Absolutely, no question. The initial cost of the system over competing systems, and then the ongoing cost—it's a substantial savings. Cost-wise, productivity-wise, acceptance by customers—it's all been great. Everybody has had a very positive response to TeleVantage. The install went flawlessly. The system has just been terrific. The South Hills employees love it, and the people from headquarters are jealous and they want it too!"

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*Bob Fragasso,
Founder and President
The Fragasso Group*



Vertical, Inc.
5 Cambridge Center
Cambridge, MA 02142
800-914-9985
www.vertical.com