

Choosing the right technology

When it comes to the all-important software systems for optimal portfolio management and regulatory compliance, web-based offerings are being touted as the way of the future.

Web-based software offers the advantage of facilitating access to data for intermediaries who are on the move, and for clients who want to check on their policy details from their homes. While there's no doubt that off-site access is beneficial, there are other factors that need to be taken into account.

Given the cost of acquiring software and the time spent learning how to use it, it's important that financial advisory practices shopping for financial needs analysis (FNA) software, and administrators and underwriters looking for a policy administration system, make the correct choice between available web-based and desktop solutions.

Web-based versus desktop solutions

In particular, one needs to consider the size and infrastructure of the business concerned, as well as the degree of control users of the system want over the data. With web-based solutions, data tends to be hosted by the software provider, which could leave some financial services companies uncomfortable in terms of data security and customer confidentiality.

The speed of access is also important. Web solutions tend to start up faster than their desktop counterparts, but it can take longer to access and process information, especially if data is being housed externally. Delays can also occur during peak times when the Internet is busy.

Connectivity and back-ups

Brokers need to consider the likely locations from which they will want to log in. In rural areas where broadband tends not to be available, leased wireless services or 3G will increase costs.

Software providers of web-based systems tend to offer convenient and automatic back-up facilities. These are, however, not always safe, leaving users exposed. In addition, truncation of data caused by a power failure during the automatic back-up process renders the entire back-up useless. Most web solutions also offer no access to check the reliability of backups - a real problem when data is needed to prove due diligence.

With a desktop solution, companies have control over their data and back-ups and can test the integrity of the system each time.

Best of both

Desktop systems tend to be the better option for smaller financial advisory practices and brokerages that lack the resources to overcome the short-comings of web-based solutions. However, some systems integrate desktop and web-based solutions, giving clients the option to install both and offset the disadvantages of each.

Daniel Putra
Managing Director
PROFIDA Team



Description	Web Solution via Internet	Desktop Solution
What is it?	Software applications running on the server with a simple front end that runs in a web browser on the user's desktop.	More robust and full-featured software application running as a standalone or in a network on a server and desktop PC.
User interface	<ul style="list-style-type: none"> • Web browser-oriented graphical user interface; • Only one screen can be opened at a time; • Screens cannot interact with each other. 	<ul style="list-style-type: none"> • "Rich" user experience; • More fields and details on the screens; • Sophisticated layout and data presentation; • More than one screen can be opened simultaneously.
Application start up	Quicker.	Slower.
Speed of data access	Slower and delays when the Internet is busy.	Quick and fully controlled by company's server and LAN setup.
Control of data	None if data is hosted on solution provider's server.	Full control.
Remote exchange and data access	Via the Internet.	Replication technology.
Hardware requirements of workstations	Low as all data processing takes place on large server.	High as all data processing is distributed between server and desktop.
Installation	None if hosted by software provider.	On each desktop.
Reinstallations and updates	No user interaction necessary.	User interaction necessary.
Connectivity	Services needed from either ADSL, or Neotel or 3G.	Replication via ADSL or dialup for data access outside the office.
Data capturing process	Preset and rigid.	Flexible and interactive.
Cell phone integration	Available, where a web browser is supplied.	None.