

AS THE CO-FOUNDER AND COO OF AN EMPLOYEE BENEFITS CONSULTANCY FOR MID-SIZE BUSINESSES IN THE MIDDLE OF TEXAS, JOHN HUMPHREY MIGHT NOT BE DOING PRECISELY WHAT HE DREAMT OF AS A CHILD – BUT HE ABSOLUTELY LOVES IT. AND HE'S BEEN USING RELIUS, OR ONE OF ITS PREDECESSORS, FOR LONGER THAN HE'S BEEN USING WINDOWS



In just over a decade, John Humphrey and his partners at Texas Pension Consultants have built a thriving business by recognizing an under-served niche in the world of employee benefits. “We found that there’s a large network of financial consultants working with small to mid-size businesses,” John says, “who need specialists to set up retirement plans for their clients. And that’s exactly what we do.”

Firms like John’s are often described as third-party administrators, but this is not John’s term of choice. “It sounds dry and bureaucratic,” he says, “whereas I think of us as creative and entrepreneurial.” TPC’s record of success to date suggests that John is right.

ZERO TO 50 IN 10 YEARS

A firm that recently broke the threshold of 50 employees, Texas Pension Consultants started out with just two in 1994 when John and a fellow CPA saw what John describes as “some interesting opportunities in the marketplace”.

Early on, TPC set itself apart with expertise in a then-innovative option – the new comparability retirement plan. “This is a specialty plan designed for a small business,” John explains, “that allows

owners to maximize their tax-deferred contribution and to target the money they’re putting into the plan to particular employee groups they want to reward with an added benefit.”

TPC also works with other specialty plans, defined benefit plans, and, of course, 401(k)s. “Our niche is hands-on service,” John says, “What we are not is a ‘401(k) in a box’. We provide customized plan design to meet a customer’s needs.”

A typical TPC customer is a small to mid-sized organization, but, as John points out, these are relative terms. “I would say we compete very well for the \$20–\$30 million plan and under,” he explains. “You can find medium-size medical practices with plans that size. You can also find some 2,000-employee hospitals.”

John says TPC faces a varied competitive landscape: “We go up against one- and two-person TPAs, the 10-person TPA, plus the

HOME LIFE

HOME: “We have a couple of acres on the Brazos River in a rural neighborhood 15 minutes outside town.”

FAMILY: “My wife is a seventh-grade math teacher. We have two daughters, a 15-year-old and an eight-year-old. Also two dachshunds.”

EDUCATION: “I earned two degrees, both at Baylor – an undergraduate accounting degree and a master’s in tax.”

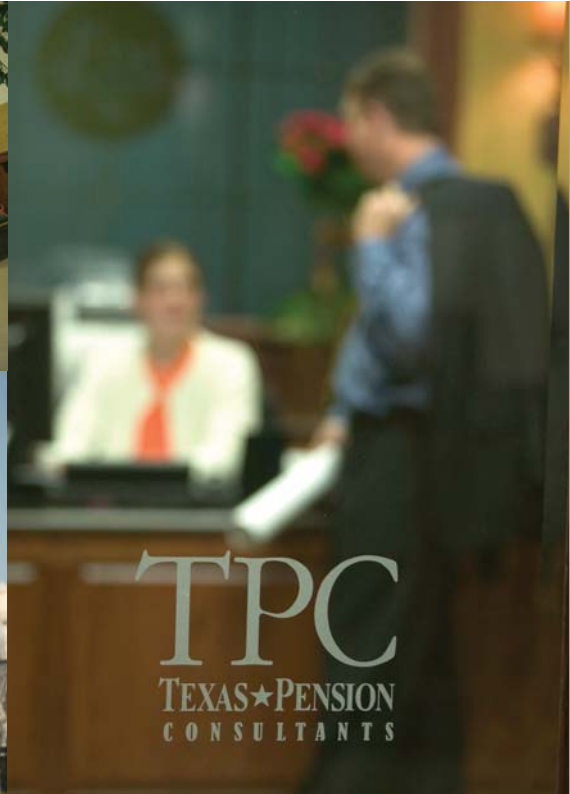
HOMETOWN: “Clarksville, a small town in East Texas.”

PASTIMES: “I hunt, fish and kayak. I’ll take the kayak upriver from my house and float home for three or four hours.”

VACATION: “My wife and I love New York. We’ve also spent time renting a houseboat.”

CHILDHOOD DREAM: “I’m not sure – but it was not being a pension consultant.”

CURRENT DREAM: “I’d still be an entrepreneur of some kind, but I’m not sure what I might do – something serving people.”



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mutual fund and insurance companies. Sometimes we're competing with a financial institution on one case and we're in partnership with them on the next. It's an interesting marketplace."

THE IT PICTURE

As TPC's vice president and chief operating officer, John describes a broad set of responsibilities that include "managing all the departments within the firm" along with "a pretty heavy involvement with our technology folks". He says: "Although they may be invisible to clients, having the right IT systems in place is a critical part of the business." For TPC, one of the "right systems" has proved to be Relius from SunGard. In fact, in various versions, the system has been with the company from the beginning. "Believe it or not," John says, "in 1994, we actually started out with a DOS-based version. This was before Windows reached the world of employee benefits."

Over the years, the capabilities of Relius have expanded to include, among other things, Web-based participant access and daily recordkeeping – both features of value to TPC. In addition, the firm makes its trades through the SunGard Transaction Network and has chosen SunGard as its partner for custody services. "Using Relius and also using the network has given us an integrated solution," John says. "This is a pretty rare thing in the marketplace, and it allows us plenty of capacity to expand." Roughly 35 consultants at TPC use Relius as their key tool for recordkeeping, compliance and administration. "This includes actually operating the plans," John says, "as well as a range of things involved in managing them, from generating plan documents for the clients at the front end, to tax reporting, to compliance testing."

If a conversation with John reveals anything about him and his work life, it's that he's found a very satisfying professional niche. "I

WORK LIFE

BUSINESS HOURS: "I'm usually in by 7:30 a.m. and leave sometime between 5:15 and 8:00 p.m."

LOCATION: "We're in a restored warehouse in downtown Waco, which is basically right in the center of Texas."

ABOUT WACO: "It's a college town, with Baylor University here – which has made it much easier for us to find good people."

OFFICE: "I have a nice office with old brick walls, but no bigger or smaller than our other people have."

VIEW: "I look on an angle at the Brazos River, which runs through the middle of town."

DESK HYGIENE: "I don't go to extremes either way. If things get a bit out of control I'll tend to them."

DRESS CODE: "Business attire. Creating a favorable first impression is critical."

CORPORATE CULTURE: "We have a very open culture. People's ideas and input are valued greatly, encouraged, and expected."

really enjoy working with business people to figure out their needs and the kind of plan that's right them," he says. "I also get a lot of satisfaction out of collaborating with our staff here. We've brought well-qualified people into the organization and we believe in empowering them and making the most of their ideas."

The entrepreneurial dimension of John's job is clearly a source of personal pride and satisfaction as well. "I'm embarrassed to say how many hours I spend here," he says, "but it's not work for me. I love it."

THE SUNGARD SOLUTION: RELIUS

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