

Changing with the times at UBS

Standing still is not an option for firms who want to succeed over the long term in Asian private banking. UBS Wealth Management knows this as well as anyone, and as a market leader in the region, it has been ready to adapt to maintain stability and a top-notch brand, says Geoffroy De Ridder.

The UBS Wealth Management brand is hard to ignore in Asian private banking.

While no institution can realistically expect to be number-one in every segment and product or service it covers, the sum of the parts UBS offers in this space is clearly at the forefront of the industry. And it is regularly regarded as a benchmark.

evolve to stay ahead. Such change relates to all aspects of the business – from infrastructure to products and technology to people.

This thought process, explains Geoffroy De Ridder, operating head for UBS Wealth Management in Asia Pacific, is currently centred on several key elements: innovative technology solutions,



GEOFFROY DE RIDDER
UBS Wealth Management

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What comes with this positioning and ambition is a requirement for the firm to constantly review where it is at and what changes are needed to adapt and

recruiting and mentoring the right talent to provide relevant advice to clients, and a solid compliance and risk management backbone.

STRENGTH IN ADVICE

A very significant part of the net new money (NNM) coming in to UBS Wealth

Management to the Asia Pacific region each year comes from new clients.

This makes its client advisers a key asset and, arguably, the backbone of the firm.

De Ridder is quick to credit them for their impressive ability to acquire new clients by maintaining high standards for the brand.

This is largely due to the quality of client advice, he says, stressing the importance of serving an individual's needs by a consistently-high level of customer care and relationship building.

Yet the firm cannot and will not be at all complacent.

As a result, key to the success of its advisory process is asking for regular

“It's down to the brand. Our client advisers really want to work for UBS,” he says.

This translates into a more motivated workforce than might exist in some other institutions.

“People take a lot of pride in working with UBS,” he adds.

The hands-on nature of management plays an important role in this.

Senior managers, for example, will often take the time to sit with clients to get a feel for what their needs are and also how their relationship with the bank is really progressing.

Another key aspect of providing the kind of advice needed in today's more

financial planning to family office set-up in order to satisfy those clients.”

COMPLIANCE AND TRANSPARENCY

Despite how proud UBS is of its advisers, De Ridder is also realistic about the increasing influence of various regulatory obligations in requiring a greater reliance on systems and processes to ensure compliant offerings.

He says the shift in mind-set has been in terms of seeing compliance as a partner of the business.

This is essential unless management accepts that it will have to pay the price, multiple times, of non-compliance down the road.

“Compliance can create a competitive advantage,” he explains. Given that banks don't have a choice, they need to make sure there is regular interaction with the regulator to keep up with what is being asked of them.

Keeping on top of the many new rules and requirements in local markets as well as across borders demands a greater investment in tools such as surveillance and monitoring from a transaction and reporting perspective.

There is also a need to automate more aspects of what client advisers and other staff do day-to-day.

RESPONDING TO DIGITAL DEMANDS

This highlights the extent to which digitising more and more of the business has become inevitable. And rather than looking at it simply as a costly exercise, UBS has been quicker than many of its private banking competitors to incor-

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feedback – and embracing it. This comes in the form of questions such as: how does the client find the quality of the relationship with the bank?; What are their likes and dislikes?; and what are the client's motivations to move money to UBS?

Attracting client advisers of the right pedigree in the first place, however, stems from the stability of the senior management team coupled with the image within the industry of the brand, explains De Ridder.

complex and transparent world is having more and more experts in-house to satisfy client demands.

This also ties in to the firm's ongoing focus on ensuring that it has sustainable profitability.

“To be able to afford those specialists, from the tax perspective, real estate perspective, and so on, requires enough profit in a relationship to justify it,” explains De Ridder. “So we are increasingly building pools of competence from

porate new digitally-led solutions and services into the business model.

After all, the bank recognises that if it gets the solutions to these challenges right in terms of the design and delivery, they can be turned into significant growth opportunities.

remain aligned with the specific agreed-on risk profile and investment goals of that client.

The system automatically feeds through to each client adviser alternative ideas for correcting any potential breach in terms of risk or strategy in the client's

another aspect is keeping up with our existing client base, which is where we are already catching up."

Next on the agenda is working on ways to digitise operations.

This translates to initiatives such as paperless on-boarding and account lifecycle management throughout the whole value chain.

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“Digital is one of our chief priorities and Asia Pacific is the market where we have to continue to step up,” adds De Ridder.

Technology partnerships are also something on the horizon.

The arrival of Ketan Samani earlier in 2015 from DBS Bank, to take on a newly-created role of chief digital officer, highlights the bank's commitment in this area. As does the launch of its technology innovation lab in Singapore, in the first half of the year, to meet the changing demands of its wealth management clients.

UBS Advice is another such example, which has become more established as part of the proposition.

This is a systematic advisory process that was launched in Switzerland, 2013 and later in other parts of Europe and then in various locations in Asia from March 2014.

It has been developed to satisfy many aspects of clients' needs by performing systematic tracking and analysis of markets 24/7.

Clients are notified of the portfolio assessment, and they are provided options to ensure that individual portfolios

portfolio, or to provide a new investment opportunity.

It is essentially a promise to deliver to clients the best of UBS in terms of advisory and investment ideas, and in a contractual way.

It also comes from the organisation's desire to ensure there is a consistent UBS client experience.

However, De Ridder acknowledges that there is still much more to be done to digitise the bank's systems to better suit its Asian client base.

For example, more so than in Europe, HNW individuals in Asia are more comfortable interacting with their private banker or wealth manager on informal social media platforms such as WhatsApp, or WeChat in mainland China.

“We need to compete more in this digital space,” says De Ridder. “One dimension is around satisfying new clients, where we need to do more;

The UBS Wealth Management App was recently awarded the “Most Innovative Digital Offering” for 2015 by Private Banker International (PBI) in a year which was filled with roll outs from a number of private banks.

The PBI citation said: “UBS has truly embraced ‘digital’ and ‘innovation’ through its drive to continually adapt with the changing times. UBS is committed to creating a holistic digital experience and has embarked on a number of unique initiatives around the globe to successfully achieve this. Its success comes from fostering innovation and making cultural changes, all of which have led to a strong entrepreneurial spirit running across the whole of this private bank.”

The launch of Evolve, UBS WM Innovation Lab in Singapore earlier this year, is a first step in this direction.

And the various collaborations that the institution has forged with the governing agencies and fintechs have also been remarkable so far, says De Ridder. ■