



Client-centricity rule #5: know what you need to know

Professional wealth managers need to have knowledge and then increase it, but it is essential to be strategic about learning and development.

In an earlier article, I made the point that if wealth managers want to be seen, treated and respected as professionals, they first have to ensure that they are professionals.

As professionalism implies a standard of education, one of the 'secrets' to becoming a professional is to gain superior knowledge. For that reason, gaining and continually increasing knowledge is essential.

This isn't rocket science. In fact, it seems quite obvious.

However, what makes it a bit tricky is that the scope of the wealth management industry is enormous.

There is not one single wealth manager who will be able to cover the entire spectrum. It is therefore important to determine what knowledge and skills are relevant to be successful.

THE RIGHT PROFESSIONAL DEVELOPMENT

At a recent Hubbis conference, in a conversation with a wealth manager, he shared with us that he takes continuing professional development (CPD) very seriously, given that it is a regulatory requirement. The last five

60-minute courses he attended, for example, were:

- AML
- Basics of investing in ETFs
- Purposes of wealth structuring
- Equity accumulators
- Introduction to life insurance

When we asked him why he had selected these courses, he replied: "Apart from the annual, mandatory AML course, the other topics are of interest to me. Since I have to collect 15 study points, I can select courses that I like."

Although it makes sense for someone to take courses they like, this approach towards learning and development seems frivolous and haphazard.

Instead, it is important to lay a strong foundation for a client-centric way of delivering wealth management services based on an understanding that 'good' wealth management involves a number of elements, such as: helping clients to make their wealth instrumental in realising their ambitions; putting the clients' interests first, not just in an empty lip-service sense; focusing on the service areas that can be controlled; and possessing the knowledge and skills needed to add real value.

However, we are still not there. Realising that we need knowledge in order to qualify as a client-centric, value-adding professional is not the same as knowing which knowledge and skills we need.

Due to the scope of the wealth management industry and the many value-adding roles one can play within it, fundamental choices have to be made.

And for any professional to make the right choices it is important to first define in which area of wealth management he or she (wants to be able to) add value.

The better a person defines his or her area of competence – or area within which to excel – the more likely that individual will know what training and professional development is required.

Ultimately, it is in the best interest of wealth managers and their clients to be strategic about their ongoing professional development.

We all owe it to our clients to clearly define our own niche and to design a conscientious strategy aimed at reaching levels of excellence in the respective area of competence. ■

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