



Do you really add value to your clients?

Anyone who agrees that adding value is becoming increasingly critical for wealth managers will agree that it is important to develop a clear concept on what “adding value” represents. By Kees Stoute

As a direct consequence of regulatory and technological developments, I am convinced – and repeat it at every possible occasion – that the wealth manager of the future is one who adds true value to the lives of his or her clients.

I realise, though, that this may come across somewhat ambiguous. ‘Adding value?’ When do you know when you add true value to a client’s life? Whose definition of ‘adding value’ should we follow?

Although difficult, it is a critical question, as it ultimately determines the success of individual wealth management professionals.

TAKING STOCK OF WHERE WE STAND

To what extent are you adding value already? There is probably no clear and evident answer to this question.

However, to get an idea where you stand, some honest self-assessment may be useful. A number of questions could help you in this regard. On a scale of 0 (= not at all) to 10 (= 100%), to what extent:

1. Do you feel comfortable that you know about all the assets and liabilities of your clients?

2. Are you aware of your clients’ dreams, objectives and goals in life?
3. Are you familiar with your clients’ (financial) concerns, challenges and anxieties?
4. Are you connected with the extended family of your clients (eg. spouse, children, etc)?

If your average (self-)score on these four questions is 7 (or higher), you may claim to have a fairly good picture of the role wealth plays in the lives of your clients.

That puts you in a better position to help your clients to align their wealth with what it is they want to achieve in life. In other words, you have a great value-adding opportunity.

But are you really exploiting this opportunity? Here are two more questions to help you reflect on that:

1. Considering the ‘actual’ services you provide to your clients, to what extent – on a scale of 0 to 10 – does your current service offering:
 - Take into account the overall wealth position of your clients?
 - Aim to achieve the ‘dreams’, objectives and goals of your clients?

- Address your clients’ concerns, challenges and anxieties?
 - Provide support to the entire family
2. To what extent – from 0 to 10 – is your income fee-based and, as such, recurring?

The more comfortable you are to award yourself with a score closer to 10, the more you may consider yourself to be a value-adding wealth management professional and, consequently, the more likely that you have a great future in this profession.

Obviously, it is important to realise that this is not the only way to come to a self-assessment.

But it may nonetheless prove useful to position yourself, provided that you are honest and self-critical when answering these questions.

Such honest self-assessment may also help you to realise in which areas you need to improve your knowledge and skills in order for you to develop yourself into the direction of a highly value-adding wealth management professional. ■

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