

Enhancing transparency in wealth management in Singapore

In a video interview, Matthew Dabbs of AAM Advisory says that greater fee transparency and a more tailored approach to service and advice are needed to help stay competitive within the wealth management sector in Singapore.

Among the many changes taking place across the wealth management landscape, Matthew Dabbs, chief executive officer of AAM Advisory, sees notable developments in terms of more fee-for-service activity.

For his firm, 33% of business in the first quarter of 2017 was “zero-in, zero-out”, which means no fee upfront or to withdraw any money. This is aligned with what he has seen happening in more established markets like the UK.

As a result, more experienced advisers are taking advantage of this. But the key is to build assets under advice (AUA) and recurring trail income to support newer or younger advisers as they come through, he explains.

SELLING SOLUTIONS

According to Dabbs, advice gets ‘sold’. “You don’t sell products, instead advisers should sell the solution.” In line with this, the firm has a dedicated wealth

solutions offering. Clients need bespoke advice when it comes to tax issues and wealth planning. “The world is becoming a much smaller and more transparent place,” he says, “so we are focusing much more on these issues.”

Investments, by contrast, are becoming more centralised and he believes more can be outsourced to professionals.

ADDING VALUE

Dabbs also says he embraces the concept of greater transparency of fees. “We already have terms of engagement where our clients know exactly what level of service they will get for the percentage of adviser fee they will pay.”

The firm can prove the value it adds in various ways – including regular communications, and updating portfolios and valuations online.

“But the most important thing is that the client, together with the adviser and



MATTHEW DABBS
AAM Advisory

AAM as a firm, creates a relationship where the client knows where they stand and what they are trying to achieve at all times.” ■