

Focusing on what you're good at

As the fifth generation of the founders of Bordier & Cie, Evrard Bordier has a unique perspective. And he is looking beyond shorter-term industry pressures to build a genuine relationship-driven offering that dispels the myth that scale is critical for survival.

Evrard Bordier straddles two overlapping worlds: on one hand, he runs a private bank, trying to give his clients the best service he can; on the other, he is the fifth-generation of a successful family business.

He balances the two as managing partner of Bordier & Cie – a 170-plus year old independent, international private bank.

This also gives him a perspective where he can be pioneering in terms of devising a new strategy to stay relevant and profitable as a boutique player in today's environment.

"We have gone past the point in this industry where it is viable to run a small business," says Bordier. "It is no longer enough for the middle and back office to keep pace with the scale of operations. Banks today need enough infrastructure to build the equivalent of a 20-storey building, regardless of size."

ADAPTING TO THE MARKET

The first half of 2016 has been transformative for Bordier & Cie in many ways.

From a reputational and regulatory adherence point of view, the private bank has a clean bill of health, and this is credited to the robustness of its operational infrastructure.

Yet Bordier acknowledges the need to regularly review the bank's overall business strategy, especially against the backdrop of the regulatory, margin and other pressures he shares with his peers. "This is always a potential consideration, but what motivates me is the responsibility I feel to my ancestors to build the best business we can, and one which will stand the test of time," he explains.

He is also in quite a unique position insofar as he is able to look beyond the short-term pressures of revenue targets that might influence the strategy of many publicly-held institutions.



EVRARD BORDIER
Bordier & Cie

His relatively small scale also alleviates the need to rely on hiring hoards of new bankers. Instead, he has the potential to be opportunistic.

Plus, it is arguably too difficult to extract the most successful relationship managers today, anyway.

They tend to be financially-tied to their institutions, plus banks themselves have become a lot more effective at retaining client assets, even when their top bankers leave.

The Bordier & Cie approach, therefore, is to have more of a business development team. “We try to go systematically through a particular country, one at a time. We are redefining how we approach the market,” he says.

that go beyond just managing their portfolios,” adds Bordier. “We take pride in executing a uniquely tailored touchpoint strategy for each of our clients to bring the Bordier experience to life.”

These strategic brand touchpoints adapt to clients’ individual needs and lifestyle preferences. “Enhancing the ambit of our client servicing is an essential element to deepening our clients’ trust in us,” he explains.

In line with this, the firm is building its repertoire of services that anticipate the need for a more involved wealth

Profit by partnerships

In trying to do things differently to its competitors, and at the same time play to the bank’s strengths, Bordier believes in partnerships as a key way to secure new client assets and grow profits in Asia, and without raising fixed costs.

This is important to being able to weather the expected trend towards more onshore wealth management going forward. “This poses a challenge to boutiques like us,” says Bordier. “Our model will never be geared up towards having licences in local markets.”

So to capture onshore revenue while remaining offshore, he sees alliances as the main avenue. The bank can charge for sharing specialist knowledge and training with institutions which are building their private banking offering. In return, it hopes to be introduced to clients who wish to bank in Singapore.

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DELIVERING VALUE

Going against the trend of standardisation, Bordier says he wants to provide a more tailored set of solutions and services.

“We want to be known in the market as the best boutique bank, but with an offering which is genuinely different,” he adds. “We don’t need to be good at everything, but only in one or two specific areas which clients will come to us for.”

However, this must involve more than just marketing talk, and in its place be genuinely transformative in terms of the bank’s approach to how it adds value to its clients.

“Our relatively small size also means we are able to cater to client’s specific needs

management approach. “We think this is something we can continue to excel in as long as we play to our boutique strengths,” says Bordier.

In his mind, this needs to go beyond simply talking about protecting, preserving and passing wealth on to the next generation. “Clients hear this from every private bank, and nobody stands out.”

As a result, he says clients often get badly serviced, regardless of which bank they have an account with.

By contrast, Bordier is proud that the bank has retained what it calls its ‘human dimension’. This starts by having a frank and more realistic conversation with a client about why they even want a bank account in the first place.

In finding the right model, as every bank tries to pool its qualities, Bordier has opted for the relationship-based approach, not a performance one. “We are taking the right decision in moving this way, and charging a fee for that.”

Likewise, the firm looks for clients who fit its business model and philosophy.

“Those who are willing to pay a premium for proficient private banking are aware of what our advisory fee entails,” says Bordier. “Our ideal client values the work we do for them and is willing to pay what we are worth for doing it.” ■