

Giving trusted advice to family businesses

Soumya Rajan, Managing Director and Chief Executive Officer, Waterfield Advisors, tells Hubbis of the gaps in the Indian wealth management model that were the catalyst for her team to start Waterfield Advisors.

“**THE FIRST WAS THAT THE SOLUTION THE CLIENTS OFTEN** looked for was not necessarily with the bank,” says Rajan, formerly a private banker at Standard Chartered. “Second, the entire mode of operation, in terms of the way we advised clients, inherently had a conflict of interest.”



SOUMYA RAJAN
Waterfield Advisors

Waterfield’s initial client segment was almost entirely made up of family-owned businesses, which she found were grappling with a number of issues, and not just on the investment side.

“Waterfield first started to advise them on investments,” she says. “But then, as we started to understand the families more, we realised that there were, essentially, gaps that the family had in legacy planning, in creating trusts, philanthropy, succession etc.”

No firm in India was addressing any of that, according to Rajan. “While financial institutions are good in trying to address the investment side of it, there was a fairly large gap in the non-investment side,” she says.

Waterfield’s remit was now set: be the trusted advisor to the families to help them both on the investment as well as the non-investment side. According to Rajan, the Waterfield model of creating a business based entirely on advisory fees is scalable in the Indian scenario where other competitors are looking at distribution.

“The fact that we’re attracting both talent and clients on a regular basis seems to suggest to me that there is a market for this particular business model,” she states.

“Ultimately, ours isn’t an annuity-based business,” she says. “So while it will take time to build, once you have crossed over that inflection point in terms of the revenues, the costs tend to plateau out in the business model.”

The foundation of the business, according to Rajan, is a marriage of trust and advice. “Our motto is ‘Insight with Integrity’, and that is something which I believe marries both the concept of advice and trust.” Rajan says that the motivation to go along this path is and will always be: doing the right thing by the client. ■