

Holistic conversations will drive better outcomes for clients

Soumya Rajan, Managing Director and Chief Executive Officer, Waterfield Advisors, tells Hubbis why the need for the wealth management will never go away, but the nature of relationships between clients and wealth managers will have to change.



SOUMYA RAJAN
Waterfield Advisors

INDIA'S WEALTH MANAGEMENT FIRMS ARE TOO FOCUSED on the investment side and not addressing all the other issues that are relevant to clients, according to Rajan. "The industry as a whole needs wealth managers that can transcend products and can have a deeper conversation with clients," she says. "Whether they're trying to address cash flow, retirement planning, or a child's education."

"The conversations that wealth managers have with clients need to be much more holistic," she stresses. Rajan agrees that perhaps that change would come if the industry changes how it incentivises its frontline staff.

"Unfortunately right now, that's very much dependent on the organisation and how it chooses to compensate its staff," she says. "An incentive structure, which worked for the clients' benefits, would work much, much better in the longer term."

Standardisation is part of this broader conversation and Rajan believes that the Indian regulator has done an excellent job there. "One of the good things that SEBI has done is that they've stipulated certification that all frontline staff necessarily need to go through," she says. "That's very much in the client's interest going forward."

Rajan reiterates the 'client's interest' as a vital driver of how Waterfield Advisors hires its talent. "One of the reasons people want to work with us is because they're finally able to do the right thing by their clients," she says.

"I think with every person that I've interviewed, there is a sense that there have been moments [with a previous employer] when they have sold a product to a family that they've not been happy with," Rajan says.

When Rajan hires, she looks for people who are looking to build a better bond with their existing clients free of conflict of interest. "The moment that there's no conflict of interest, there is a freedom that that relationship manager feels vis-a-vis that particular client relationship," she points out. ■