

Setting high standards for private bankers of tomorrow

In recalling five decades of experience in global wealth management, Richard Piliero offers some well-honed insights and ideas on how up-and-coming advisers can rise to excellence in an ever-demanding and fast-changing industry.

Looking back and reflecting on 75 years of his life and career, Richard Piliero can see where and how he learned from his mistakes – as well as enjoyed the choices that have turned out well.

Career-wise, fundamentally he believes that if someone is not happy in their work over a period of time, then they should conclude that they are most likely in the wrong profession or job. Or they might be in the wrong company for their skill-set and personality.

Either way, they need to consider this carefully and make necessary changes.

While his career progression wasn't due to changing roles to find happiness necessarily, it highlights the importance of being willing and open to new challenges and opportunities.

"Be opportunistic, even if it means leaving your comfort zone, in terms of location, new ventures and career

change," says Piliero, who is today an executive of Finaport, a Swiss-based independent asset manager with an office in Singapore.

ADAPTING AND GROWING

Not being afraid to make choices and changes, particularly in this rapidly-changing environment, is a philosophy which becomes evident when mapping his career to date.

Born in New York, Piliero went to law school there before starting his career in the same industry on Wall Street.

Around 15 years later, and driven by a can-do, entrepreneurial attitude which has come to characterise his persona, he was chosen to be the first non-broker to manage a branch office for Merrill Lynch, based in Geneva, Switzerland.

"When I face problems, I would say that although you might not be able to solve



RICHARD PILIERO
Finaport

them in the way you want to, you can always look at it in another way," explains Piliero. "I think this convinced them to choose me."

He moved to Switzerland in July 1973, after marrying an English lady and working in London for eight months. At that point, he became the international general counsel at Merrill Lynch.

PURSUIING PASSION

Over the years, Piliero formed a passion for wealth management and advising clients directly.

It got a kick-start in 1986, when he became a deputy head of private banking of the Trade Development Bank in Geneva. Then, in 1990, he joined the American Express Bank.

Back in those days, Swiss banks were managing wealth for people from all over the world, but mainly for European countries. "Wealth management was about managing others' money."

While Piliero had thought he wanted to live in Switzerland forever, he later changed his mind because he wanted to be where the real action was. "The timing was absolutely superb because if you couldn't grow there you couldn't grow anywhere," he says.

However, he was always careful, whenever possible, to seek the advice of trusted friends, yet be decisive in making his own decisions, and being accountable and responsible.

In terms of career potential, meanwhile, he realised in Asia that there was a lot of competition among bankers.

He then met Adam Green, a prominent headhunter, thus enabling Piliero to approach more aspiring bankers to attract customers. "I said to him 'I want you to know that I want to create the best private bank in all of South-east Asia'"

SELECTIVE

Piliero says he has chosen his career to hire bankers based on several factors.

Discipline is an important one. "We were disciplined about what we wanted," he says. "We wanted relationship-oriented bankers who could use the strengths which have now become popular among investment and fiduciary specialists. All the things that are important in private banking and insurance."

Education is also key. Piliero says the firms he has worked with have invested a lot in continuing education, which really is the glue to keeping the relationship between customers and bankers.

This is in contrast to what he sees happening a lot in Asia – where senior management often doesn't consider clients, and instead focus on revenue.

In addition, integrity is critical too. "Always maintain a high ethical standard," he adds. "Of course, decisions often-times have to be made when the choices are not clear. One benchmark I have found helpful, is never do anything you would not like to read about in the newspaper (or online) the next day."

Yet Piliero believes wealth management in Asia is more regarded as a business rather than a profession.

To change this perception, he says the focus needs to be on clients' needs as a higher priority that just creating profit. "Asia needs time to accumulate AUM, and they'd better do that by working hard to bring ideas to clients based on their needs, not competing on price."

Regardless, he is adamant about the need to maintain a policy of hiring and promoting the best people one can find.

"Don't hesitate to surround yourself with people who are smarter than you."

BANKERS OF TOMORROW

As someone who likes to be held to high standards, Piliero says there is no quick way to success in private banking; it is step-by-step up the career ladder.

The driver must be the fact that wealth management is, like in many other industries, a way to bring satisfaction and happiness to a client's life. "Careers in wealth management are similar to others we see in our daily lives - lawyers, teachers and doctors," he says. "Wealth management is about improving someone's financial health, and it is a worthy profession."

As a result, good leadership should encourage bankers to continually develop their skills and knowledge to focus on the needs of their clients – often needs they have but are unaware of.

For Piliero, probably most satisfying in his career has been helping mentor and develop young professionals, in turn breeding more experienced bankers. "Take care of the careers of others, particularly your subordinates, and be a good mentor," he says. "Your own career will likely benefit from that behaviour."

But there is no short-cut. A good private banker really has to start right at the beginning, at the bottom, he adds. "They have to know the cores of the business, which is much more than selling products."

At the same time, professional respect is a critical success factor. "Remember," says Piliero, "the people you meet on the way up in your career and life, treat everyone with dignity and respect, particularly remembering that you may see them again, on the way down." ■