

# Three traits of effective wealth planners

*Lee Wong of UBP gives her insights on the skills and knowledge that advisers must bring to the table to remain relevant in the current wealth structuring environment in Asia.*

With the Common Reporting Standard (CRS) and Automatic Exchange of Information (AEOI) looming, clients have much motivation today to review their structures and to understand and rationalise their reporting obligations. To do this, they must seek advice to ensure they are able to operate efficiently and compliantly in the more transparent world ahead.

At the same time, HNW individuals and families are becoming more aware of various tools and options available to structure their wealth across their business and personal interests. This makes it more difficult for their advisers to only focus on pushing products.

In Lee's view, three traits are common across successful advisers in today's more challenging world:

1. Being able to guide their clients through an increasingly complex legal and tax landscape

2. Genuinely acting in the clients' best interests – sometimes, that means saying "No"
3. Recognising the client's situation to address their specific needs, rather than focus on a specific product to sell

## 1. BEING ABLE TO GUIDE CLIENTS THROUGH AN EVER-COMPLEX LEGAL AND TAX LANDSCAPE

Most advisers recognise that helping clients navigate the changing landscape is now a critical part of their role. In practice, this means helping them understand the regulatory implications of their jurisdictional touchpoints and make decisions regarding their asset holdings to achieve the objectives of the family and business compliantly, explains Lee.

Advisers also need to help clients understand that these discussions need to occur on an ongoing basis, she adds



LEE WONG

Union Bancaire Privée

– both because of the fluctuating and ever-changing regulatory environment, as well as evolving needs of the clients themselves. The ability to give the right advice, sometimes, also requires

working in partnership with appropriate third-party professionals who specialise in specific aspects of tax, legal or structuring, depending on what solutions are required.

## **2. GENUINELY ACTING IN THE CLIENTS' BEST INTERESTS - SOMETIMES, THAT MEANS SAYING "NO"**

Lee explains that UBP adopts a pure advisory approach to wealth planning.

particular need, is the only way to give suitable advice. This may, in some situations, mean advising a client against taking a certain course of action.

Lee indicates, from time to time, clients come with a certain idea in mind based on what they have heard from friends or the market place. It is the task of a trusted adviser to explain how these concepts at times could be misguided

for the client to take up. As an example, Lee highlights that UBP does not own trust companies. The decision is intentional so as to remain objective in the advisory role that the bank plays with its clients.

"My main task is to ascertain what kind of handholding and assistance a client needs in the wealth advisory space. I am not pressured to suggest a trust or to promote the services of a group trust company. Where a client's situation can be resolved simply with a will, I will advise so. If a family office structure is required, I will coordinate that too. The focus is on meeting clients' objectives, whatever they may be," explains Wong.

"That is my mandate. And to me, that is very liberating."

This means looking at clients' circumstances and understanding their needs and objectives – whether these relate to, for example, understanding the regulatory environment and its implications in relation to disclosure, or mapping out a holistic succession plan in relation to their various asset classes.

Lee suggests that by focusing on a client's objectives, a seasoned adviser would be able to suggest that the client thinks about bigger-picture questions.

Some of these might include, for example: What are the short-term versus long-term needs of the family as a whole, as well as those of individual members? What are the client's aspirations for the family and the business? What is the value system that the client wishes to cascade? And what is the client's philosophy regarding wealth and the responsibility of those with it? Understanding what is important to a client, and why, and addressing that

or ill-placed in the context of the tax regimes, asset classes or specific circumstances that are applicable to them.

When she goes to meet clients, she has no product in mind and brings no marketing collateral.

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Acting in the best interest of clients requires an adviser where the situation requires it, to be firm enough to say "No".

## **3. RECOGNISING THE CLIENT'S SITUATION TO ADDRESS THEIR SPECIFIC NEEDS, RATHER THAN FOCUS ON A SPECIFIC PRODUCT TO SELL**

World-class advisers do not start a conversation with the client with a pre-set product or service they intend

Instead, Lee arrives at the meeting with a little notebook and starts the conversation by asking the client "What can I help you with today?".

The conversation then evolves into mapping the client's needs and concerns, along with other relevant details relating to their children, and business and personal assets. Ultimately, a sophisticated adviser helps the clients help themselves. ■