

Wealth Management in Asia: The Relationship Manager of Tomorrow

We all know that private banks and wealth management firms have been gearing up for a fundamental shift towards the delivery of more innovative and personalised client engagement. Technological advances are now so well progressed that it is possible to capture vast amounts of information about clients and their behaviour, in order to offer them the best products, solutions and ideas.

BY:

DOMINIC GAMBLE

Head of Asia-Pacific at Wealth Dynamix

We recently published a research report with Hubbis, titled '[Empowering the RM – Their Role in the Future of Wealth Management](#)', and via our extensive surveys of senior wealth management professionals across Asia we gleaned some tremendous insights directly from the relationship managers (RMs) on the challenges they face and future of their role.

On the 9th July, I'll be hosting a [Hubbis Digital Dialogue](#) webinar with industry leading panellists to discuss the future of the RM. In this article I'd like to start that conversation and highlight some key takeaways from our report.

There were many fascinating and confirmatory findings, but it's worth starting by mentioning the consensus on industry outlook: 90% of replies expect greater competition in private banking and wealth management in Asia in the 2020s, an emphatic 87% of respondents believe the Asian market will grow rapidly in the coming decade, while only 30% said private banks and wealth management firms in Asia are on the right path to seize these great opportunities.

It's that last statistic, however that focuses my mind. If you believe - and I mostly certainly do - that the relationship manager will remain core to the proposition for Asia's high-net-worth wealth management clients, then it is obvious that we must employ these latest technologies and tools to future-proof them and to boost both their capabilities and capacity. And this is even more the case for the RMs that handle the ultra-HNW clients.

As the report validated, RMs spend too much time on administrative tasks, not enough time on learning, too much time hunting for information, too little time mining data on their clients and thinking holistically about the products and solutions that will result in optimised outcomes for those clients, and turn them into trusted advisers who win an ever-larger share of client wallet.

There has been a huge and growing investment in technology, including regulatory software, to help the middle- and back-offices at the banks become more automated and efficient in recent years. But meanwhile, the RM has been left with an array of legacy systems and processes.



DOMINIC GAMBLE

Head of Asia-Pacific at Wealth Dynamix

So, what does the model technology solution look like?

RMs need to be in the driving seat, with smarter, data-driven insights into client behaviour and sentiment, and technology that boosts productivity. Only then will they be able to deliver faster, more efficient and responsive client servicing.

The majority believe the RM will remain central to the upper echelons of the wealth market, but 84% said RMs remain reactive, and just 10% said they are sufficiently proactive.

RMs clearly need new technologies and a fresh management outlook to help them up their game. To achieve this, 86% of replies said a more process-driven/disciplined/structured Client Lifecycle Management (CLM) system would boost revenues, 85% said this would increase talent acquisition and retention, 89% said this would help increase new clients, and 87% said client retention would be improved, while two thirds roughly said costs would be reduced as well.

When I sit down with the top management or the RMs at many leading banks and firms to discuss technology, we very often see the 'light bulb moment'. None more so than currently where the pandemic and resultant remote working rules have really made institutions think more clearly around step by step CLM and relationship manager tools.

It might be no more than a business head realising that software aligned to data and analytics can, at the touch of a mouse, identify which clients match the product idea and then help the RMs deliver the ideas

digitally. Or it might simply be the RM appreciating that the 50% of their day that is spent on admin or compliance tasks has been reduced to 20% or, in an ideal world, even less.

Another example that lights up management and RM minds is prospecting. Frequently forgotten from a technology perspective, this is the very first touchpoint that a firm has with a prospective client – it's the foundation. A private banker may meet an HNW client at an event, and it is paramount to make the data capture process both robust and very simple for the advisor. Being able to scan a business card through their phone, for example, or leaving meeting notes via speech that are then transcribed to text. The client journey starts there in one system, all the way through onboarding and into client management.

These are the kind of technology-enabled tools that make everyday life much easier for RM's, by automatically creating a prospect record in the CLM at the outset and enabling quick and easy data capture thereafter.

Each of part of the CLM journey can be implemented and achieved in steps. It does not need to be a one-size big bang transformation, which is often, certainly in the current environment, an unpalatable project cost and risk.

What this crisis has not done is in any way to alter the trajectory in which we have been travelling. But what it has done is to flick the floodlights on to show in brilliant light the type of solution we can achieve, and also how, without it, our wealth management leaders, our RMs and even our clients will still be working in the dark.

By leveraging technology to create operational efficiencies and enrich client experience, the RMs and the firms they represent will benefit from longer client relationships and relationship manager tenures, more energised and motivated teams, and happier clients who are receiving better, more tailored advice.

Join me on 9th July at our [Digital Dialogue](#) where we will focus on how RMs can be centre stage to drive higher client satisfaction and business growth. ■

