

Wealth Management with a Passion: A Passage to India with Standard Chartered Bank's Nitin Singh

Nitin Singh is as passionate about his role as Managing Director & Head of Wealth Management for India at Standard Chartered Bank as he is about his team or playing soccer with friends, or enjoying a recent gastronomic trip to Tokyo. He is intellectually energised by the opportunities his role affords amidst the dramatic growth of India's economy and the rocket-propelled rise in private wealth accumulation. Singh met with Hubbis recently to elucidate his views on the enormous waves of growth sweeping Indian wealth management forward, as well as highlighting some significant hurdles to overcome and some other critical challenges ahead, while also offering what he sees as some of the essential solutions required.

FOR STANDARD CHARTERED BANK (SCB), wealth management is one of its largest businesses in India. “We have a sizeable revenue coming from the wealth management business,” Singh reports, “and we cater to all customer segments in the bank, be it mass affluent, High Net Worth, UHNW Private Banking clients or our SME & Corporate Clients.”

He notes that the bank offers three key product lines in Wealth Management - managed investments in the form of funds, third party discretionary portfolio management and alternate investments, Bancassurance, and market traded products and services, which primarily includes foreign exchange, equity broking, fixed income and wealth lending. This is offered across the bank, NBFC and Standard Chartered Securities.

An early mover

“We were one of the early movers in wealth management here,” Singh explains, “beginning back in 1997, and we were one of the first players within the market to start distributing mutual funds, and to this day we maintain market leadership and real prominence in this area. We are currently one of the top 5 players in Wealth Management in India.”

India - a jewel in SCB's crown

Singh explains that India is historically a very important market in the region for SCB.

“We have 100 branches in 43 cities in India; making us India's largest international bank based on the branch network.”

Standard Chartered established its first foothold in India more than a century and a half ago in 1858. To further explain our history here, we have also built through acquisition,

buying over the Grindlays Bank in the early 2000s, then buying the American Express Financial Advisory Services network here, then the onshore Morgan Stanley Private Wealth Management in India.

Double-digit expansion

Singh is encouraged by the consistent high double-digit CAGR within the wealth business over the past years. “We continue to invest significantly in this market,” he reports, “and the question we often pose ourselves is what we can do to grow more, leverage our

network and franchise, what opportunities exist for both organic, or inorganic expansion that we can consider.”

Standard Chartered provides advice to some of the country's most eminent families, and is the bank of choice for a significant proportion of India's wealthiest people and marquee affluent clients. Our long history of association with our clients has seen us become trusted bankers to them across generations. We are also a dominant player in the dynamic non-resident Indian (NRI) bank-

Key Priorities

First, Singh wants to keep diversifying and growing the business across channels and segments. “We have a great opportunity across the full spectrum of wealth here in India including HNW and ultra-HNW space. Focusing on broadening our offerings and segments tapped is my single biggest priority over the next 12 months.”

Secondly, the bank needs to see beyond any difficult market circumstances and keep a very close focus on client centricity in terms of ensuring appropriate advice, looking at product gaps, making sure the bank offers best-in-class products and solutions that fit clients. “These are key areas we are focusing intently on,” he explains, “especially during these difficult times in fixed income. We have been working especially hard to make sure we are on top of client portfolios and help them make fully informed decisions.”

And his third priority is keeping investment in digital capabilities focused and relevant. “We are focused on growing our digital presence into a channel that really provides customers with fully mobile access to every one of their investments, as well as ideas and solutions.”

In a nutshell our key priorities are Grow with Clients; continue sharpening our offerings; re-invent the future through enhancing our digital capabilities and continue to build sustainable



NITIN SINGH
Standard Chartered Bank

responsibility to these clients, and hence our strategy has revolved around product diversification and innovation, managing risk through our unique and unbiased investment approach and driving a strong customer first agenda in our dealings. We are trying to ensure that we have amongst the best product offerings available in the market.”

Longer-term vision

Singh believes this dynamic and committed approach makes the bank a bit different. We are more

efficient. Through our branch, SME and Corporate network, we are able to connect not only with promoters and entrepreneurs who are driving the rapid growth in wealth creation, but also with CXOs and senior management of corporates for their personal and corporate investment needs. We stand out by combining our deep local and global knowledge with a scalable value proposition both in India and globally. Standard Chartered is ideally positioned to ride this wave of growth and help its clients navigate a fast-evolving and increasingly complex wealth management landscape.”

Constant re-evaluation

Singh says “If you look at the market in India today you are basically in an interesting confluence of circumstances where products are getting increasingly commoditised, margins are under pressure, talent is limited and it takes time for new RMs to be really productive, and lastly there is increasing digital disruption and significant digitisation of information and transacting.”

“So,” he continues, “we try and cut through the noise by keeping our primary focus on the client because keeping the client at the centre of everything is what possibly makes us different and better, and not the products themselves. And that approach is indeed helping us gain increased wallet share of customers and grow our market share, as we offer unbiased solutions, we have a completely open architecture, and we do not manufacture products ourselves.”

Additionally, Singh highlights the firm’s approach in terms of in-house investment views by collating diverse third party views, which are discussed and debated monthly with investment committee voting anony-

“With our scale and efficiencies and our strategic approach, we can also weather any regulatory or market volatility ahead.”

ing realm, leveraging our global network of expertise to provide highly specialised and individually tailored solutions to clients.

He believes that the bank has a natural right to win in the Affluent segment given Standard Chartered Bank’s strong brand image and perceived stability and value by customers in this segment, and growth in this segment is a key area of focus for the bank. “The regulatory changes in the past two years with the cut in expense ratios, removal of any upfront commissions on mutual funds and other initiatives,” he reports, “has in fact given us further opportunity to invest within our product platform as well as to seriously look at new avenues of growth, for example more and better trained RMs, potential acquisitions and further client base expansion. But more importantly these regulatory changes are in the best interests of our clients, who are at the centre of our proposition. We are very conscious of our fiduciary

local than international players and more international than local players and that is our sweet spot. We have a longer-term vision of what we are trying to build here,” he comments. “With our scale and efficiencies and our strategic approach, we can also weather any market volatility ahead.”

India’s economic landscape has transformed significantly in recent decades. The country now is at the cusp of realising its full potential as its entrepreneurs steer it through a new century of progress that will change lives for the better. And with rising wealth and the monetisation of physical assets in family businesses, the opportunities lying within India’s grasp are immense.

“This is a business where you have to ensure you have a certain size and scale,” he observes, “and that scale and market presence will help you take full advantage of the various emerging opportunities to become even bigger and

mously to derive house views. The house views are then delivered through an open-architecture approach on products.

Ongoing digitalisation

The bank is also investing enthusiastically in new digital capabilities. “We are determined to ensure that our smallest and as well as biggest individual customers have access to our products, ideas and services and are able to transact, as well as gaining access to either goal planning or to investment insights that can allow them to make informed choices,” he reports.

Digital, he elucidates, has several facets. “First is seamless onboarding of a customer to ensure they are properly incorporated and ready to invest. Secondly, digital should offer the client comfortable and ongoing access to ideas for informed choices. Thirdly, digital enables ease of transactions and portfolio reporting.”

To keep pace with clients’ rapidly evolving demand for digital banking capabilities, the bank has invested substantially in innovation and technology across its businesses. This also includes the building of a global wealth platform with an enhanced and consis-

tent user experience, empowering users with self-service capabilities to manage their investment needs. In India as well, we are developing an integrated and intuitive platform for wealth management, and will be rolling out a revamped platform by the end of the year.”

On the right path

“Today,” he reports, “after nearly four years of real investment in digital capabilities, a new to the bank customer can open a savings bank account within five to seven minutes from beginning to end. Along with that, we have integrated our investment account opening capabilities as well in terms of ensuring that the customer is KYC ready to be able to actually transact and buy mutual funds, insurance and other wealth products the next day.”

A rare model

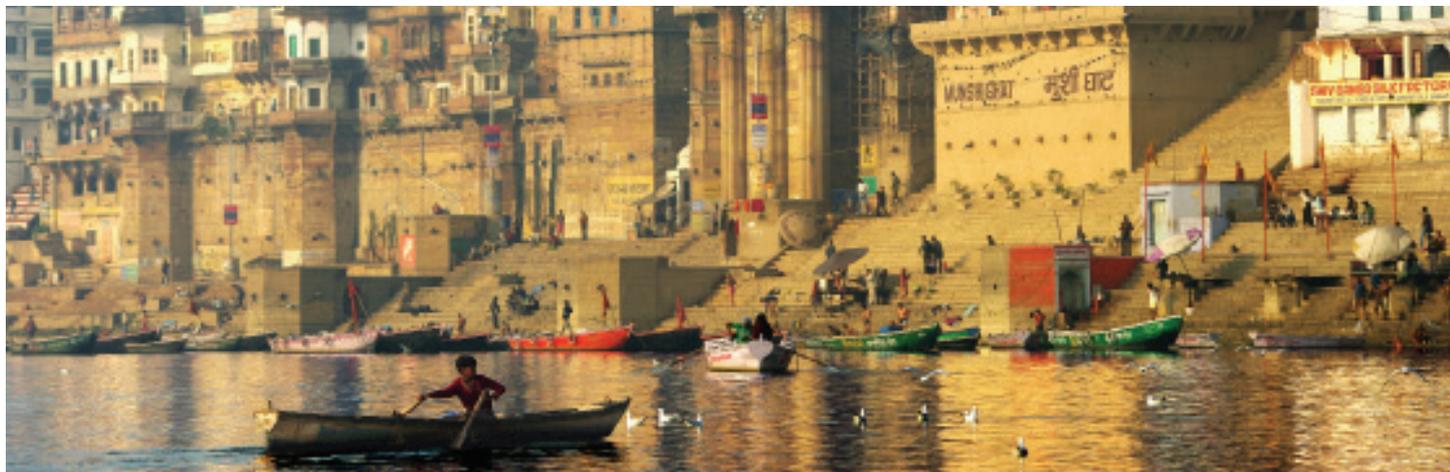
He also highlights what he says is a rare, possibly unique, model of interaction between relationship managers and product specialists or knowledge experts that really helps to engage with the customer.

“The client sees a much more balanced and a much more well-thought-out set of ideas and

recommendations when he sits with a Standard Chartered RM and a wealth management product specialist,” Singh informed.

“In the bank currently, we are allowed to offer incidental advice at the time of the buying of the particular idea that the customer’s pursuing, based on risk profile and financial needs that have been expressed to us. And we offer that digitally, so once the client has completed his online investment profile, he has access to a range of ideas, as well as goal planning that we are now adding on.”

He explains SCB is investing tremendously in terms of its advisory capabilities, and has applied for an Investment Advisory license in their equities broking arm (Standard Chartered Securities (I) Pvt Ltd) which they intend to leverage on to launch the Standard Chartered Personalised Investment Ideas (PII) digital wealth management tool for investors. The PII uses advanced analytics to combine multi-sources market views generated by Standard Chartered’s investment team with data on wealth management solutions. It then generates and prioritises investment ideas for mutual funds and other securities



for each client. Working with the PII platform on an iPad, a Standard Chartered RM can create a customised portfolio across various asset classes for the client, along with the accompanying rationale for each investment idea.

“PII takes in our in-house views on the markets, our recommended list of products, the client’s profile, the client’s actual holdings, both cash as well as investments, and is able to put these all together using a proprietary algorithm to create actionable buy and sell ideas for clients, with a clear rationale for each of them as to why the RM and the client should be able to do that,” explains Singh. This platform has been launched in Singapore and HK and Singh is intending to launch this in India next year.

Singh explains that through the digital medium, the clients then have full access to what he describes as a myriad of investment outlooks and ideas, whether video podcast,

or written reports “It is all there,” he says, “at the click of a button.”

He further explains that the bank has significantly revamped and upgraded its transaction capabilities. “For example, we have recently revamped our entire online equity trading platform and are investing in a number of other direct to client capabilities for the next couple of years. We want to ensure that it’s one of the best platforms in the market, with the widest market coverage, and that our clients get access to those capabilities in the cheapest possible way.”

All this means, Singh concludes, that the bank has reviewed where there are gaps in its competitive position and worked rapidly to plug those gaps with optimised solutions.

Plugging the gaps

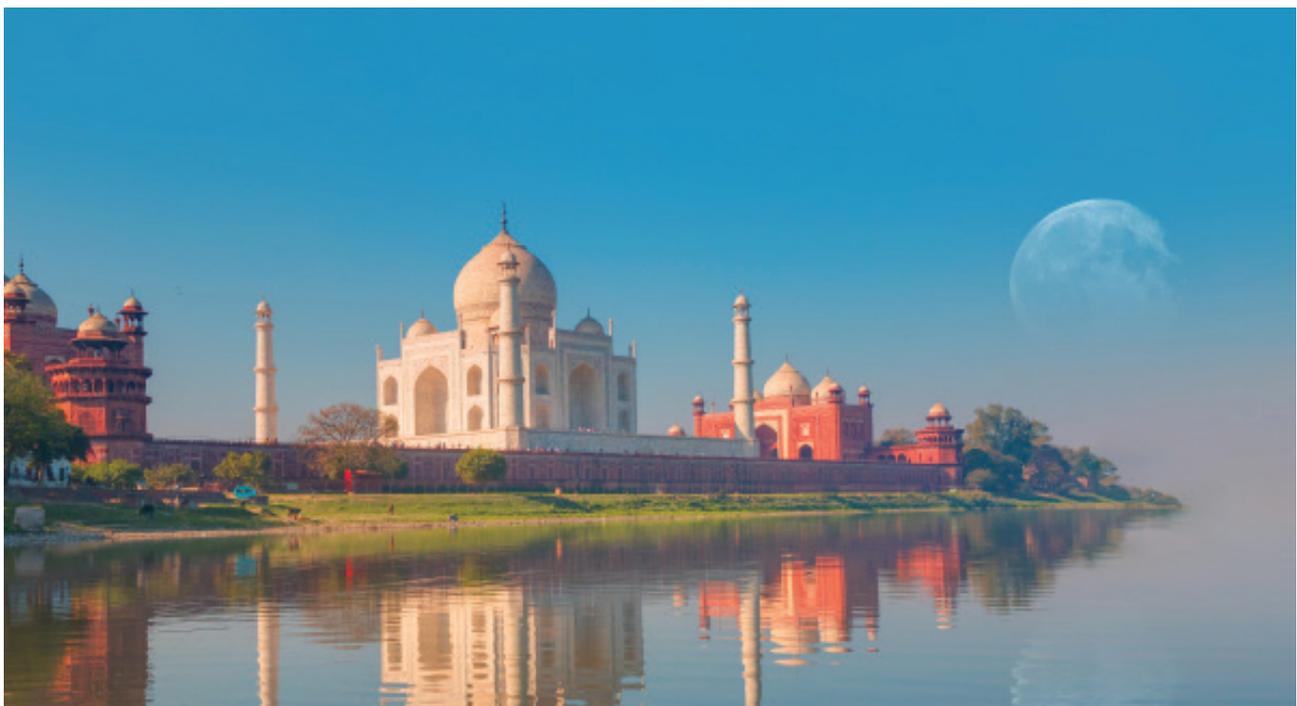
“We now have a significant percentage of our investments business going online, whereas

two years ago it was zero,” he reports. “Today, when an RM visits a client, he can actually onboard him and do all his transactions online through one meeting. We were also the first player in the market to actually come up with a fully digital bancassurance model. Moreover, we continue to strive to be a market leader, so we have many other features planned, giving clients access to goal planning, portfolio tracking, diversification indexes, and so forth, all available online.”

Nurturing the talent

And concerning talent, the bank has its wealth academy, running very focussed leadership and skill based training programmes.

“Cross-pollination of talent,” he remarks, “be that in terms of short-term attachments overseas, or be it in terms of really ensuring that people see a career ahead of them, is something that really helps us attract, retain and build



talent here. Despite the industry-wide trend towards the rapid movement of staff, we continue to have people with vintage having spent five, 10, perhaps 15 years within the organisation, and importantly having grown within the organisation. We offer a myriad of opportunities across our segments and wealth frameworks and therefore offer our people a great opportunity to grow with us.”

We also launched a Wealth Management Academy in partnership with Fitch Learning and INSEAD to create a bespoke, industry-leading programme for our global specialists teams to deliver a higher level of service and advice to our clients.

In addition to the Wealth Management Academy, we are defining

our strong Employee Value Proposition which reflects the strong cultural fabric that we have within the bank.

We also have a strong D&I agenda in the Bank, and are focused on building a diverse and inclusive culture for all our staff irrespective of gender or sexual orientation. For e.g. SCB India has recently launched an employee resource group called GLAD focussing on LGBT+ and allies, that has seen a very positive response. We have launched Global Flexible Working Practices as well, that are used by staff. Today, many of us spend the majority of our time working and, as a result, we are redefining the boundaries between work and home life. Some are working flexibly, remotely or starting and

ending their work days earlier or later due to long commutes and family obligations. Some of our properties also support young parents by providing them with day-care / crèche services.

Connecting with the next generation

Standard Chartered is a trusted advisor to its clients across generations, and understands that what matters most to clients at the end of the day is family. Their top concern - regardless of the complexity of their wealth management needs - is fundamentally ensuring the wellbeing and success of the next generation.

In Standard Chartered’s view, equally important as the transferal of wealth is the passing on of knowledge and the ability to



deal with the responsibilities that come with an inheritance.

Within our Private Bank, targeting those aged 20 to 32, we have developed a Future Global Leaders Programme that is based upon five pillars: leadership, entrepreneurship, philanthropy, sustainability and communications. The programme gives participants the opportunity to learn from global business and philanthropic leaders about how to represent their families and their country on the world stage.

We also assist our clients by connecting them with bespoke sustainable investing opportunities and like-minded individuals to extend their impact dollar. Sustainable investing is a set of investment strate-

gies that incorporate material environmental, social and governance considerations into investment decisions.

Overcoming the challenges

Singh closes the discussion with some observations on the wealth industry’s most pressing challenges. “Both the mutual fund industry and the fixed income space have had some considerable challenges and changes in recent months.”

He observes that there is a generally positive and ongoing shift towards the financialisation of savings, but that the industry, as custodians of client money, needs to make sure that continues and is not derailed. “It is vital,” he says, “that we continue to keep gaining new clients and keep the trust of

existing clients intact.”

The second challenge he sees is for the industry to scale up. “We all still have some issues regarding KYC across different platforms, so if this becomes easier and seamless, it will help the industry scale up faster.”

“And finally,” he adds, “we all need to help develop the next generation of talent to keep pace with the growth of the industry and the rising complexity and sophistication. We also need to embrace innovation, for example from the fintechs, which will transform the way we are working within this industry, be it from an ease of transaction perspective, or in terms of the next ideas. The industry in several years will be tremendously different from where we are today. There is really a great opportunity for talent to flourish in this business.” ■



He is also an avid Liverpool supporter, even more so since joining Standard Chartered, which is one of the team's big sponsors.

And before turning the lights out at night, he also enjoys reading. "Of late it has been Yuval Noah Harari, a very interesting author indeed. I love anything from light fiction to biographies," he reports.

One book that really gained his attention of late is Team of Rivals: The Political Genius of Abraham Lincoln. It's the story of Abraham Lincoln and how he became President, and navigated the country through the Civil War. "He was a remarkable man," Singh explains, "rising above challengers who were considerably older or more experienced, and then putting his rivals together into his team and getting them to work together towards a common cause for the benefit of the country. President Barack Obama cited it as one of his favourite books and was said to have used it as a model for constructing his own cabinet. I quote his skills to people to explain how we can overcome challenges by having a strong team working towards a common vision, despite all odds."

And another passion is food. A recent trip to Tokyo highlighted the diversity and sheer quality of Japanese food. "We had a guide, but I already knew a lot about their food and all the hidden gems in Tokyo where we spent a few days," he explains. "Food is a passion, and most trips that we make are built around exploring the local cuisine and culture of the locations we visit." His favourite restaurant in Mumbai currently is Izumi Ramen & Sushi in Bandra West, which as per him serves extremely authentic Ramen & Sushi rivalling the best he has had in Japan.

