

To Win, Emphasise Your Human Advantages

David MacDonald, Head of Learning Solutions at Hubbis gave a talk at the Asian Wealth Management Forum to warn delegates of the dangers of not honing their human skills to align with and complement artificial intelligence and machine learning. Those who recognise this need can provide their clients with excellent advice and outcomes. Those who do not heed this advice might risk obsolescence.

MACDONALD'S PREMISE IS THAT THE ADVANTAGES of human interaction in the wealth management industry will remain extremely important, but only relationship managers and client-facing wealth management personnel can tune in to the same wavelength as their high-net-worth customers. If so, they stand a good chance of offering a dedicated and highly client-centric service. To achieve that the human connection should be emphasised and digital tools such as artificial intelligence and machine learning should add to their skills, not take them out of the picture.

Hubbis offers a range of training programmes including specific modules on building and expanding client relationships. The mission for relationship managers, MacDonald believes, must be to elevate themselves well beyond the role of simply reacting to and/or transacting client instructions.

If the clients see relationship managers simply as enablers, then the clients may soon migrate to easier or cheaper solutions. However, those client-facing professionals that can communicate incisively, sensitively and meaningfully with their clients and who can identify and articulate their added-value, can prosper in Asia's high growth wealth management market.

Are you ahead of the game?

MacDonald asked the audience at the Hubbis Asian Wealth Management Forum if, as client-facing professionals, they have a clearly defined strategy for how they and Artificial Intelligence (AI) might co-exist over the next 5 to 10 years. "Studies show that this industry is at an inflexion point," he



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reported, “and we hear reports that anything a human can do with one second of thought or less can probably be automated. Does that mean your jobs, your roles, could just disappear?”

MacDonald then cited the results of a survey conducted by Capgemini in its World Wealth Report 2018. He noted that according to the report, high net worth individuals (HNWIs) across the globe continue to demand hybrid advice, with more than 50% globally saying that it was highly significant. The conclusion, according to Capgemini, is that hybrid advice forms a critical top-line growth enabler for firms, with 68.7% of HNWIs globally indicating hybrid advice was a significant factor regarding decisions related to asset consolidation with their primary wealth management firm.

Additionally, Capgemini concluded that better personal connections between wealth managers and their HNWI clients may lead to better HNWI satisfaction scores. In 2018, only 55.5% of HNWIs said they

connected ‘very well’ with their wealth managers, according to the report.

Are you satisfied?

“This is a concern,” MacDonald commented. “How many client-facing people regularly check with their clients whether they are satisfied with their experience, whether they are happy with you with regard to your level of communication, your regularity of communication, your transparency regarding fees, and so forth. Not many people ask clients those types of questions.”

MacDonald maintained that making assumptions about client satisfaction is clearly risky. On the other hand, seeking feedback proactively will help the relationship manager hone the advice and the delivery and the overall communication to improve the general level of satisfaction.

“With the advent of robo advice,” he noted, “there is a greater need to re-validate the human connection in order to emphasise the relevance and added-value of the relationship

manager in the overall wealth management equation. No algorithm in the world will ever be able to fully replace the human relationship, but relationship managers must work harder and more consistently to discover, rediscover and reiterate this added value.”

Be happ(ier)

MacDonald also highlighted another finding from the Capgemini World Wealth Report, namely that better personal connections with clients makes those clients happier. “It is partly about augmenting your reality,” he explained. “We need to be real about what it is we are doing, how we are doing it, why we do it and why clients should continue to want to do it with us.”

MacDonald added that the ability to be human will become increasingly important in the age of AI, but only if you can master the skills and the behaviours that differentiate you from a machine.

“Over the last 18 years or so,” he reported, “I have had the pleasure of interfacing with

probably about 3000 to 4000 client-facing people like you in skills training workshops, trying to help them to develop the ability to communicate more effectively with their clients, to ask better, more searching, more deep-thinking questions, to be able to put forward their proposition in a non-selling way. My experience shows me that many people do not truly understand what skills are required that are uniquely human, or what they need to do to bring those skills to the table.”

Raising your game

The mission for relationship managers, MacDonald concluded, is to elevate themselves well beyond the role of simply reacting and transacting to client instructions. “If the clients see you as someone who is just an enabler, then you are already on the way to losing the client as they can do that without you, sooner or later, and quicker, more reliably, as well as cheaper. You must come back

time and again to the value you add to your clients.”

MacDonald then observed how AI cannot engage anyone in an intelligent, fluid conversation, or react to or achieve meaningful insights. “We consistently emphasise in our training programmes that relationship managers and anyone client facing should be seen by clients as a true partner, someone that is indispensable in helping them make key decisions that affect their wealth and therefore their lives.”

MacDonald added that his mission is, therefore, to help Hubbis clients think about some of the essential strategies and skills that might help them to better and more regularly engage clients in deep, meaningful and insightful conversations and therefore to add value throughout the relationship.

“Accordingly,” he advised, “it is vital to think about communication and questioning, and on this latter point I mean questioning the client in a way

that engages that client in deep thinking. Empathy is also essential, the ability to influence another human being to feel that we are being empathetic is very important.”

Selling, MacDonald continued, is not about coming up with solutions, not about solving problems, but having people persuaded to change their mind about something. “Questioning, communicating, demonstrating your empathy, your vision, your strategic thinking, all these elements help clients understand, you are therefore influencing people to think and change their minds.”

Be a winner

In summary, MacDonald advised the audience to be ready for the AI evolution. “For those here who think it is not going to affect you, you are the ones who have no plan, you will wait and become a victim of this, rather than being in control of it. However, you can complement what is already happening with your unique human skills and both survive and prosper. Be different.” ■

