

Mastering money management



A new post-grad degree on the subject is being offered next year. **FRANCIS KOH** has the details

INDUSTRY professionals as well as those aspiring to enter the wealth management field will soon have a new master's programme designed specifically for them. The MSc in Wealth Management is an innovative post-graduate degree awarded by the Singapore Management University (SMU), and offered in collaboration with the Wealth Management Institute and Swiss Banking School. The first batch of students will commence in January next year.

The Wealth Management Institute is Asia's first educational institution that specialises in wealth management. It was formed by Temasek Holdings and the Government of Singapore Investment Corporation (GIC), with the support of a core group of industry partners, to spearhead training and development for the wealth management industry.

The Swiss Banking School, based in Zurich, is a well-known global executive training centre. It is a non-profit foundation formed by a group of leading private bankers, such as Bank Julius Baer Ltd, Bank Vontobel AG, Credit Suisse Group, Lombard Odier Darier Hentsch & Cie and UBS AG, to provide training and development for financial institutions. It is linked to a number of universities, among them Carnegie Mellon University, University of St Gallen, University of Geneva, University of Lausanne, and University of Zurich.

Giving sound advice

Wealth management is the holistic process of advising individuals, companies and institutions on how to invest

their surplus funds. It covers the entire value chain — from managing a client's assets to selling investment products to providing financial advice. It encompasses the pleasant role of improving a client's well-being by helping him make his money grow and allowing him to sleep well every night. That means helping a client to make good investment returns and carrying only "bearable risks".

Wealth management is more than just managing money. It goes beyond migrating from a commission-based service to a fee-based relationship. To be successful, a wealth manager will avoid using a pure product and sales-based approach or a client service-based approach. He or she has to be both customer-centric and product-centric.

In recent years, due to a number of factors including the resurgence of the Asian economies, the market for wealth management has grown. A recent Asia-Pacific Private Banking/Wealth Management Survey by PricewaterhouseCoopers reports that the wealth management market in Asia is poised to grow by more than 10 per cent over the next year.

Over the last few years, many wealth management organisations have expanded their reach and their range of service. The amount of assets managed by fund managers has also increased. Coupled with rapid product development and technology advancement, changing clients' needs and business globalisation, there is an increased need for training and development to enhance the level of knowledge, skills and professional services in wealth management.

This evolving situation is corroborated by the same PricewaterhouseCoopers survey, which has found that the competition for experienced staff has been intense, and notes that "approximately 70 per cent of the recruitment needs of respondents in Hong Kong and Singapore are met by poaching staff from competitors".

A similar situation occurred in the late 1970s when Singapore and the Asian region had a shortage of experienced bankers and foreign exchange specialists, and poaching was common. Similarly, in the 1990s, there was a shortage of fund managers. Today, wealth managers are in demand.

Programme details

The Master of Science in Wealth Management curriculum has been designed to cater to the need for more advanced education, and training and development in the industry. This new academic programme will build on a structure of professional and theoretical knowledge, leveraging on the experience of the three participating organisations, as well as a core group of strategic partners in the industry who are supporting the programme.

It is targeted at practitioners who are already working in the industry, as well as those keen to join the wealth management sector. It is especially useful to investment professionals in the areas of private banking and priority banking, asset managers, financial advisers and investment professionals.

The programme will bring together global participants, practitioners and faculty to provide a rich forum to discuss advances in the industry. This is an intensive structured programme with five main study blocks of residential learning, each lasting two full weeks. It consists of 21 courses to be read over a period of about 14 months to meet the academic requirements of the Singapore Management University. Each study will have two to four courses.

The study schedule is designed to allow the busy executive to learn intensively while on campus, and work routinely away from campus. Those who are new to the profession will be offered one or more internships (of about three months or more) between the study blocks. Internships with established asset management/private banking organisations allow students to learn from successful wealth managers, personally, and at a close range.

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Most of the seminars will be conducted at the SMU campus. The programme will be facilitated by a team of faculty from two branches: senior academics with industry experience and senior industry practitioners with academic exposure.

Important learning concepts will be gleaned from case studies and industry practices. There will be hands-on class projects and graded assignments, team activities, as well as evening talks by prominent speakers.

Learning will take place both in and outside the classroom.

One of the programme highlights will be an external module to be conducted at the Swiss Banking School. This will feature seminars, field trips and tours for insights into the European banking and finance industry.

Prior to the commencement of each programme (in March each year), a preparatory course will be organised for participants who need to refresh their basic grounding in accounting, economics, finance and quantitative techniques. This is scheduled for January.

The MSc in Wealth Management will cover many subjects not found in a typical MBA programme, such as client relationship management, financial planning for individuals and institutions, international wealth and tax planning, and hedge funds and trading strategies.

Course work

It also requires residential training, written assignments, participation in seminar discussions, and the completion of a supervised individual project — elements which are not found in a typical programme of professional certification by a series of examinations. The programme also covers subjects not found in the curriculum of other professional certification bodies in the financial planning industry.

The MSc in Wealth Management will be the first programme in Asia which caters to the needs of the wealth management business. It will also feature an Asian focus against a global perspective for wealth management. The programme will remain flexible and responsive to the needs of the industry, designed with inputs from industry. We offer the programme to candidates in and outside Singapore to increase the pool of experienced wealth managers in Asia and beyond.

*Visit www.smu.edu.sg/MWM for more details.
Assoc Prof Francis Koh is director, MSc in Wealth Management Programme, at Singapore Management University.*