

School for private bankers

SIEGFRIED HOENLE looks at how relationship managers are groomed to look after the needs of a bank's wealthiest clients



Top class: The Credit Suisse induction programme conducted in the Credit Suisse Executive Seminar Room at the Singapore Management University

THERE are about two million high net worth individuals across Asia, but only 5 per cent of them are currently using private banking services, according to recent research by Capgemini and Merrill Lynch. And more wealth is being created each day, with the rapid growth of regional economies. As a consequence, the private banking sector is developing rapidly, with enormous growth potential over the next decade.

One of the burning questions key players in the industry face is: Where do we get the talent to establish and defend a leading position in this growth process? Given the strong competition and growth, senior bankers are too short in supply.

Our experience at Credit Suisse is that we need to continuously attract and train new staff. The bank's private banking business adopted a multi-pronged strategy to grow its staff by 50 per cent annually over the last two years. We now have 700 employees, mainly based in Singapore and Hong Kong. A key pillar of this growth strategy has been the development of managers and employees through our own internal Business School. The school's Asia campus was launched here in Singapore in March 2005.

There is a broad spectrum of roles in the private banking industry. From product architects to investment consultants to operations managers, there are many important links in the value chain. But it is the relationship manager who brings it all together in a single solution which precisely addresses a client's needs. So what does it take to perform this key role?

Nourishing relationships

Creating networks and establishing and nourishing relationships are central. The goal of every relationship manager is to become a trusted partner for the clients, as important to them as their doctor, priest or even a member of the family.

A relationship manager needs to be able to translate the clients' situation — for example, their risk ability and risk appetite — into financial solutions. This requires both a broad and deep knowledge of the spectrum of financial instruments at one's disposal.

Working with wealthy clients requires a passion to serve and to deliver with the highest possible quality. There can be no compromises or shortcuts.

Private bankers need to know and follow the regulations and ethical standards of any market in which they operate. In addition, financial matters are part of clients' privacy — the information clients share with their bank has to be handled with utmost discretion.

Relationship managers have to be driven to achieve their goals. There is no fixed schedule that regulates their daily work — it is based entirely on self-discipline. Creating a relationship with clients also means more than talking about financial matters. It means knowing how to skilfully handle various social situations and how to talk about culture and the arts in a meaningful way. Most of all, it means knowing how to listen actively — which is not as easy as it sounds.

Talent and upbringing

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can support the development of all these skills. However, talent alone does not make a genius in any field — it takes dedication, training and hard work to become one of the best.

There are several ways to start a private banking career. One could join a major private bank as an experienced relationship manager. Such individuals already have a considerable amount of tenure in their job. Usually, they also bring with them a portfolio of customers with whom they have developed strong relationships. At Credit Suisse, our Business School helps these senior

relationship managers find a new home at the bank quickly by guiding them through the process and system essentials, the culture at the bank and our advisory process.

One could also join the bank as a junior relationship manager, having worked in the upper retail segment. Usually, junior relationship managers are not as experienced but are highly ambitious and eager to learn. One of their aims is to elevate retail customers who would qualify as private banking clients to this exclusive league, leveraging on the full spectrum of service and advice available at Credit Suisse.

An intense, multi-modular introduction programme supports these relationship managers in their development. We take them through formal training in financial skills and soft skills as well as a structured mentoring programme where they are actively coached by more experienced relationship managers.

Others join Credit Suisse as an assistant relationship manager and — by demonstrating ambition and the skills mentioned above — get the opportunity to develop into relationship managers. We support this process through our "Train-to-Relationship-Manager" programme, which is accredited by Singapore's Institute of Banking and Finance. The programme culminates in a structured assessment which leads to a certification in wealth management by Credit Suisse and the Singapore government.

Leadership qualities

You need leadership to develop good private bankers. Strong growth in a highly competitive market creates a wide range of leadership challenges. Leadership is crucial in setting goals and ensuring common quality standards in a team like that at Credit Suisse, with people of different backgrounds and various levels of tenure.

Most importantly, leadership means developing the next generation. So we get the bank's own best people to teach relationship managers in the internal Business School programmes. We train them to see the big picture, the market forces and how to combine the capabilities within the company to form innovative solutions for their clients.

In today's environment, even the most innovative financial product can be copied, whereas people are unique and cannot be replicated. It is the quality of employees that makes the difference — they deliver the value to clients, which is all that counts.

The writer is managing director at the Business School of Credit Suisse, based in Singapore

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