MAS wants RMIs to be ‘future-ready’

By Ishika Mookerjee 11 Dec, 2017

The Monetary Authority of Singapore wants to make three changes to the training of relationship managers (RMIs) as it ramps up regulation of the private banking industry.

Speaking at the opening of the Wealth Management Institute at Nanyang Technological University in Singapore on Thursday, Minister of Finance Heng Swee Keat said that private bankers will need to move from merely doing product sales to providing comprehensive wealth advisory that meets clients’ personal, family and business needs.

Investment suitability is a growing conversation in the industry and RMIs will have to move from simply carrying out activities in a process-compliant way, to doing what’s right and in the best interest of clients, the minister noted in a statement.

The regulator also wants RMIs to deepen their competencies, leadership skills and knowledge of key regional markets amidst demand for senior and talented bankers in the region.

To that end, Wealth Management Institute has been appointed as the lead training provider for the private banking industry in Singapore, the statement read.
It is expected to enhance the Institute of Banking and Finance competency standards and training curriculum for bankers, which will include digital skills, cross-banking and specialised market knowledge, and a new management track focused on leadership and managerial skills for senior RMs.

It will take direction from its Private Banking International Advisory Committee, which comprises local and international professionals from the industry, including Boris Collardi, the former CEO of Julius Baer.

The MAS announcement comes amidst a shift in regulations towards tax transparency and stronger anti-money laundering guidelines, which require more compliance checks into clients.

They also come at a time of greater portfolio diversification into more alternative investments, such as private markets, and the rise of millennial high net worth investors, who tend to demand more impact investing.

In 2016, Singapore had SGD 2.74 trillion ($2 trillion) in assets under management across asset managers and private banks.