



DIVERSITY

# Fit for future: How wealth managers can adapt to an evolving industry

According to Vrijhof-Droese, it's important to understand the priorities of this demographic.

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Switzerland's financial industry is facing changes. This is not just due to technological progress and the introduction of new regulations but also to an evolving client base.

'Women have started occupying more important positions,' Avalor Investment partner Carole Müller-Wildi said to *Citywire Switzerland*.

'These days they inherit more money and more of them become entrepreneurs. It's only logical for independent wealth managers to reflect this diversity in their structure, so they can serve their clients in the best possible way,' she said.

Out of 10 partners, three are women at Avalor Investments. [Müller-Wildi's appointment was announced in November](#), five years after she joined the company. The company also [appointed a new CEO](#) last week.

Jamie Vrijhof-Droese, [who took the reins of Zurich-based WHVP in January](#), believes the industry will see a vast transfer of wealth from men to women within the next 10 years.

'Most of the clients we serve at the moment are between 65 and 90, and for their generation, it was usually the man who earned the money, but things are changing and we are thinking more and more about how we can engage not only with their spouses but also with their children and grandchildren.

'The risk is that these new clients will change their advisor after their spouse passes away because they are not comfortable with the way in which they are treated,' Vrijhof-Droese said.

For these reasons, she believes it is important that the whole family gets to know the wealth manager before the wealth is transferred.

She explained that in her case, the transition started four years ago. She then gradually took over more responsibility until finally becoming a [managing partner in May 2019](#).

'Ideally, the transition should last between three and five years,' said Müller-Wildi.

'It is an opportunity to grow into the footsteps of the person who retires but it also gives you time to adapt and understand the clients' needs, which is crucial.

'In a banking environment it is not unusual for a person to assume a role one month before their predecessor leaves,' she said.

## Next-gen plans

When it comes to engaging with the next generation, both Müller-Wildi and Vrijhof-Droese agree that it is important to get them involved as soon as possible.

'We work with schools and offer investment workshops for interested students. We also offer internships to the best students, when they are around 16 years old. The first student we selected was a very confident young woman who convinced us all,' said Müller-Wildi.

According to Vrijhof-Droese, it's important to understand the priorities of this demographic. 'Millennial clients have a lot more interest in ESG, sustainability and digital currencies, so we need to be able to evolve to offer them the best possible service,' she said.

## Ever-evolving

As well as a changing client base, evolving regulations are on the minds of most independent asset managers in Switzerland.

'This is a huge selling point for independent asset managers because they can now be seen as equal to banks when it comes to regulatory standards,' said Müller-Wildi.

However, she believes this will kickstart some consolidation within the market.

'Small players will either disappear or merge. Companies that have been able to adapt to the changing environment and modernised their IT and compliance frameworks will profit,' she said.