

Capital gains: Asia Pacific Institute of Finance and development of wealth management in India



China may be getting the lion's share of attention of late, but astute observers can see that business opportunities in India are even more attractive within certain sectors. Often, these emerging economies are viewed in narrow terms, with a focus on industrialisation, high growth markets for consumer goods, and the impact of an enormous labour pool. However, as this generation reaps the benefits of infrastructure development, increased resources for education and improving job prospects; increases in standard of living will stimulate more sophisticated appetites for products and services, including a critical need for wealth management to guide investment, not just for high net worth clients, but for working families as well.

Recognising this opportunity, one major consumer bank set development of human capital as a top priority, aiming to prepare for financial deregulation in India ahead of time, understanding that the products and procedures which worked for its parent company in Europe, would not necessarily meet the needs of a new kind of customer. The bank approached INSEAD to transform foresight into insight, based on a strong reputation for management education in India and recognised commitment to developing expertise in Asian markets. Faculty from one of the world's most well respected MBA programmes, and the Asia Pacific Institute of Finance (APIF) collaborated to create: "Innovation in Financial Planning: global trends within the new Asian landscape", a unique programme aimed at building management capabilities and improving understanding of the specific challenges involved in leading wealth management innovations for India.

The programme enabled students to learn about financial products and initiatives that have been successful across other Asian markets, assessing customer needs, and develop ways to drive demand for new services which had not been previously available in India. Armed with knowledge, the bank is now stronger at all levels, with staff that is better able to anticipate customer needs and read competitive challenges before they fully develop.

Interestingly, this programme had another unexpected, but warmly welcomed, effect. As performance targets were used to select who would participate in the programme, staff responded by exceeding even the most optimistic expectations by such a wide margin, that the bank happily sent over three times the amount they had originally planned to partake in the programme. In addition to being able to cover course costs through the additional profits generated by excited and highly motivated workers, it became apparent that the existing human capital had even greater potential than originally thought.

Demonstrating, perhaps, the greatest value of the programme: return on investment, in every sense of the term.