

Working in the boom town

AAM Advisory has recently launched an invaluable guide for expats, but believes that its exceptional management team and location in Singapore is responsible for the firm's strong growth

BY DANIEL JUDGE

For someone moving overseas, there are many questions to be considered before a 'normal life' can be enjoyed in a new country of residence. They run from the practical: will I need to learn another language?; to the essential: where will I live?; through to the trivial: will I be able to get Marmite? and many others besides.

Looming large among such questions, however, are often those of finances – money, and the pursuit of more of it, being the reason why many expats boarded a plane in the first place.

As a consequence, the taxes an individual will pay and how to mitigate them, local rules for saving and investing their hard-earned money, whether they can purchase property and so on, are all vital issues to be addressed.

AAM Advisory, one of the largest expat-focused IFA groups in Singapore, knows the value of being able to supply such answers only too well.

Cannily, it has taken advantage of this pressing need among new arrivals for local knowledge to develop a 56-page guide

for incoming expats and their families about life in Singapore.

As well as information about income tax rates, pensions, investments and insurance, AAM's Expatriate Financial Advice Guide contains details of public holidays, the workings of the transport system, useful phone numbers, the costs of schooling, renting properties and even advice on setting up a business.

■ Making a splash

While this is undoubtedly invaluable to the hundreds of expats who arrive at Changi Airport every month, it is of course more than altruism on the part of AAM. The company's directors know only too well that by providing such a handy guide to prospective clients, they are more likely to shed the 'prospective' tag and become simply clients.

Such guides are not a new idea, as the international sections of many major high street banks make clear, but as a relative newcomer, AAM hopes to make a splash by distributing its own at expat events, through a local expat magazine and has even done a



deal with a removal firm to include the book in its starter packs for new foreign residents.

There are also plans to distribute it at coffee shops, bars and restaurants frequented by expats, as well as in their places of work.

Nick Anderson, a director at the firm, joined in 2009, the same year it took on its present guise following a buyout from the local franchise of well-known accountancy firm PKF, which had a 50% stake in the business. This was something of a coup for AAM, not least because Anderson brought with him the majority of his team from one of Singapore's largest IFAs, Professional Investment Advisory Services (PIAS), most of whom he had recruited after joining PIAS in 2005 and was tasked with establishing a division to service predominantly the Singapore expat market.

Anderson says that while marketing such as the Expat guidebook is very important in helping the business grow, it would count for little if there weren't experienced advisers, a sophisticated level of service and a strong management team behind it.

The latter is comprised of himself, chief executive Matthew Dabbs and Andrew McKay, who both were with PKF-AAM; Lee Sanders, who had been general manager of another Singapore IFA, Affinity Financial Consulting; and Simon Bird, ex CEO of IFA

IA KEY POINTS

AAM has grown from five advisers to 16 in just over a year.

It is currently taking on some 50 new clients a month, not least due to its high profile marketing strategy which includes 'The Expatriates Financial Advice Guide' (pictured on page 35).

IA FACT BOX

Advisers: 16

Target number of advisers: 20

AUM: In excess of \$100m

Remuneration: Advisers are salaried; earning additional income through mixture of different commission types and fees.



firm Globaleye's Singapore business.

"Having four people who have run MAS licensed teams and companies has provided us with a very strong foundation of experience to grow the company," says Anderson.

And AAM's growth has been nothing short of exceptional: "In just over one year we have gone from five licensed advisers and around \$15 million AUM to 16 licensed advisers and over \$100 million AUM," notes Anderson.

He estimates the firm is currently taking on around 50 new clients a month, based on each adviser signing on average three to four people in the same period.

Anderson believes the company ethos and culture, coupled with its commitment to service, adviser training, and creation of a solid infrastructure that allows advisers to give advice, while internal teams

write investment reports, compile data and carry out other essential, non-client facing tasks, are part of the reason for AAM's success so far.

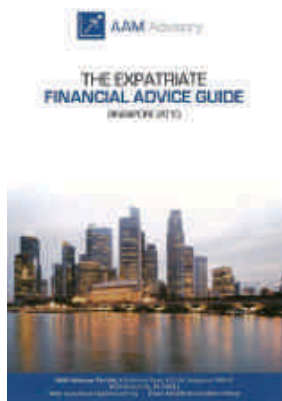
■ Strong support team

"Our aim is to provide the very best ongoing support in the Singapore marketplace to our advisers and our clients. We look to recruit the best quality advisers to represent us and in return we provide support systems to them which not only generates prospects to meet, but also mean that they can maximise their time with clients as we complete the portfolio building and administration tasks on the advisers' behalf."

To provide such support, in addition to the 16 advisers in AAM, there are two marketing managers who help generate new prospective clients as well as promote the brand, a report writing team and an investment committee that manages the company's bespoke model portfolios.

There is also a rolling training and education programme through which the four directors mentor different teams of advisers each quarter with the aim of passing on the varying skills and lessons they have learned over many years in the financial advice and banking sectors, in Singapore, the UK and elsewhere.

One of the challenges faced by the business early on, explains Anderson, was the global financial crisis. The consequences were not only falling stockmarkets and a reluctance for clients to make new investments, but also a slowdown from a torrent to more of a trickle in the number of



foreign workers coming to Singapore.

"There was not a mass exodus, but certainly some expats went home. The first half of 2009 was difficult as job security was a worry for our clients and prospects and lump sum business dropped off as a consequence."

■ Plans for the future

However, Anderson said that AMM came through this period comfortably; "In my experience, the life and pension business still comes in at these times, even though lump sum business can dry up.

"We also have a healthy recurring income from our funds under management, which helped us ride out 2009."

As for the future, Anderson says the company is looking to recruit a total of around 20 advisers, which will consolidate AAM's position after a stellar first year of growth.

He believes being based in Singapore is a key strength in this respect, due to its high levels of regulation across all sectors of financial services, including advice. Expats working throughout south east Asia, Anderson believes, will thus seek out firms based in the island state, rather than

IA BIOGRAPHY

NICK ANDERSON, DIRECTOR, AAM ADVISORY

1988: Career began in Royal Bank of Scotland branch network where passed course to become an Associate of The Chartered Institute of Bankers and moved to RBS head office.

1995: Became a qualified IFA and joined Abbey National IFA, which later became Willis National.

2000: Moved to Asia.

2003: Received licence from Singapore regulator the MAS, one of the first expatriate advisers to do so, working for Inter-Alliance.

2005: Joined Professional Investment Advisory Services (PIAS), Singapore's second largest financial advisor company with over 350 advisers, to set up expatriate advice team.

2009: Left PIAS to become a partner/director in AAM.



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Nick Anderson, director, AAM Advisory