

Mr. Bernard Sabrier (Chairman of Unigestion Pte Ltd) interview series with Zookal (transcript)

Jon Tse: Hello, I'm Jon Tse, one of the founders here at Zookal. And today, we have a very special interview with Mr Bernard Sabrier, Chairman of Unigestion, an asset manager he grew to over 18 billion dollars under management. And today's interview, we talked to Bernard about life, success and failure, inside and outside the world of finance. I hope you enjoy.

Video text: In conversation with Mr Bernard Sabrier, Chairman of Unigestion

Module 1: Introduction and Advice to Students

Bernard Sabrier's (BS) introduction

BS: I was born by accident in the Morocco as my parents are living there for 2 years and then I moved back to Switzerland when I was 3 years old. I was basically raised there, studied there. I went to a university. And after a few months I was a drop out, I don't exactly know what I wanted to do. In those days, I wanted to become a journalist to or war photographer, basically. My parents were a bit desperate about that. I tried finance because mostly my father pushed me towards that direction. And as soon as I went to that business, I got fascinated, passionated, and I started to walk in that field.

Question: Should students study or drop out to pursue their passion?

BS: I think you should always go with your passion. But I think if you can study as long as you can, it is always better because you learn things, but anyway you have to learn afterwards and maybe instead of learning by making mistakes, you might learn by staying at a university. If you can stay, it's always better.

Question: What are your thoughts on mentors?

BS: I think you always need a mentor. Because without mentoring, you go nowhere. But your mentors can change or role models can evolve. So over the years, when I was in my 20s, I had role models in finance and investment a lot. I looked up to the guys as the Rockefellers and the Carnegies for their philanthropic activities. And I had more day-to-day role models in my direct contacts in my business. I think it is essential to have some people you can rely on, some people you can ask questions, you can share your worries, concerns, ideas.

Question: How should students reach out to mentors?

BS: I think you have to have mentors to whom you can relate to. You have two types of mentors. You have the people that maybe you admire from far away and you think that they've done great things and it could be Steve Jobs or Bill Gates, or whomever. But most of the time you cant reach to those people and you will never be able to have real contact even if you reach interest them so I think you have to look for role models which

are maybe further away from you and you have to have mentors who are closer to you, to your business, to your professors or old friends or whatever make sense to you.

Questions: Should students be setting goals?

BS: I think the problem with goals is really to distinguish very early the essential from the superfluous. So you should have daily goals, weekly goals, yearly goals. The problem with goals is that you shouldn't have make them too narrow. You have to make them narrow enough to make you walk on the right track, but you have to make them wide and big enough to embrace a vision. I think it is a pretty difficult balance to find really the right goals you should pursue and not get really embedded in so many goals that you cannot follow up with any of them.

Questions: Do you have any specific advice to Singaporean students?

I think in a way is fascinating what Singapore has done in the last 50 years and the vision of Lee Kuan Yew etc. And in another way if I'd be 20 and if I'd live in Singapore, my only goal would be to move out of Singapore and see what's going on in China, America, India where life is much more challenging in a way, more difficult. Even if here, life is challenging because you want to be the best student, your parents want you to be among the best. But the day to day life, the surroundings, the security, the environment makes it not, I think, 100% real life. So I think the first goal of Singaporean student is to understand the world, and Singapore is not the world. Even if it's not the great place in the world.

Module 2: Thoughts on Success and Failure & Charitable Pursuits

Question: Is it important for students to be involved in charities? When should they start?

BS: No I think you have no choice because if you want to join any major Ivy league university, in your CV you have to have some charitable work, social work. In my times, it was not the case. If you want to give, how you want to give, when you want to start, how you want to start. So I can say the sooner the better, the bigger the better... it's not true. The truth is the most efficient is better, sometimes you should start close to home. It will also depends in your own experience of life and maybe if you have somebody in your family who is just sick about something, or if you lose someone in that type of accident or if you travel here and there and you have been witnessing something then you'll be more involved in one topic or the other.

Question: When did you begin your charitable pursuits?

BS: I started early giving. I was lucky enough to have a mother who always told me that it is better to be in the camps of the givers than the camps of the receivers. I suppose I listened to that. Early on when I started to make a bit of money, I was giving when I got in my 40s, I realized that I was a frustrated giver because I was giving money and half of it was going to admin cost and the other half I couldn't measure what they would doing,

so I was a bit frustrated and I started my own charity and I put some competent people in the board and these doctors etc. and we started a journey who is now 20 years old (Children Action).

Question: What are your views on failure? How should students approach failing on something?

BS: First of all, I think students have to understand that failures are more important than success but at the end of the day, if you gonna be successful because you are constantly worried or constantly concerned. And if you have success too early and you don't have your path of failures, I supposed you become too much self confident. And even if self-confidence is important in the business, you should never forget that you are always on very fragile path and you have to learn from your failure, you have to learn from your mistakes, they make you stronger, they make you smarter, they make you think deeper and I think it's more important than success, in the beginning. You shouldn't fail all the time obviously, otherwise, you should ask yourself other questions but it is important how you react failures and what you'd do.

Question: What's your experience with failure?

BS: There are many things that you could have done differently, but I'm not somebody who is looking backwards. So if I will look all my mistakes and I'd made the most probably more than any of you will ever make. But the problem is what will you do tomorrow and what's your vision and what's your goals. I don't think life is about regret. Life is about hope; life is about having a goal and try to do as much as you can to make it happen.

Question: Is there anything that you are worried about in business?

BS: We worry about so many things. We manage money mostly for pension funds, insurance companies and governments, etc. We have in the way the responsibility of millions of people's lives so obviously we worry about it consistently, we worry about process, we worry about being compliant, we worry about ethics, values, etc. And the business in itself, obviously we worry about anybody who comes with a new method which would be totally disruptive to you and your business. But I don't think we should worry about that. I think you should be aware, you should be curious, you should be concerned. And the only thing you should see is what opportunities they'd give you. Because if you put yourself in the position of somebody who has fear, you've already lost. And your life is like in the jungle. It's either you are a predator or you are prey. You always have to put yourself in the shoes of predator even if you're always a prey. Regardless of how powerful you are, how successful you are, how genius you are, you can always be the prey of somebody tomorrow. But you just don't have to be concerned about that and put your predator shoes in order to understand what those new things are bringing. It's all about opportunities. And opportunities, I suppose they're like apples, they fall from the tree everyday and you have to bend to grab them from time to time.

Question: When things look gloomy or difficult, what keeps you going?

BS: But you know there are three ways for things to go hard. The first one is you're unprepared. So I think you can only blame only yourself. Then the market change suddenly ...and again you are not prepared because you didn't have the vision and you can blame yourself. So I think they're very very rarely an episode of something which turns your business into your life that is sour that you couldn't anticipate. Maybe you didn't anticipate. But we are very dishonest with ourselves most of the time because we are not complacent with others and we are always very complacent with ourselves which normally, the other way around. But the day you start to be less complacent with yourself than the others. Then when you have tough times and it will always happen but then you realize that 95% of the time, it's your fault. You didn't work hard enough, you didn't sync well enough, you didn't have enough vision. You missed something which is obvious afterwards. And then it's about how passionate you are, about what you want to do. And life is not about success. It is about the quality of what you do. For example, we never thought of making money. We thought of helping clients to achieve whatever they want to. Basically these companies here...everyone **** to help our clients thrive. We don't **** to make money. And I think if you are...if you have the right values, if you work hard enough, if you have a good vision, if you come to something smart, you'll have many many obstacles along the way, but those obstacles are just there to make you better and make you think in a smarter way and make you rethink the ways you do things and hopefully is the learning **** and we learn everyday.

Module 3 - The Future, Building your Own Business and Hiring

Question: What advice would you give to students looking to get into the hedge fund or money management business?

BS: We run a business which is an active management business where we do invest directly in equities and where we do invest in a hedge funds and private equity and co-invest. I think the first thing we can tell them is we have to see if they have real talents and sometimes you have huge challenge when you are working with JP Morgan or Citibank or other big companies because you are amongst another 500 group of guys and girls and you think you are smart but you always as smart as you're environment allow to be smart and when you get the flow, and when you get the deals and when you get the plans, then you start to succeed. But be careful because you if you sit down and start your hedge fund with a bunch of buddies of yours and you start from scratch you might have limited or no deal flow and clients. I think you need to be more humble and if you take the hedge fund there are most probably no more than 1 or 2 percent of those guys who are in those places who deserve really to be called hedge funds, deserve the fees they are taking. It is a big challenge and at one stage you have to try but before trying you should have quite a long experience within the investment bank and then understand that if you can make happen in your own and it is very different and you see many many guys. If you see the hundreds of guys who left Goldman Sachs as Managing Directors, as partners and as started their own business, how many did really succeed? A vast minority.

Question: What do you look for when hiring someone for your team?

I think you have to want people who are really curious. People who are also looking at things totally out of their fields so ideally, we would like to hire mathematician or statistician or physicians who studied also philosophy or ancient history. I think you should have to have people who can mix a knowledge with perspective and is very very difficult today because people are studying in narrow fields and when they end up with PhDs in astrophysics or whatever, they think they can only do one thing. But the people who study history, music, philosophy, literature and something else get a unique perspective make them much more valuable than just a great PhD.

Question: What excites you about the world today?

I think what is exciting is obviously we've always been united with new things but what is fascinating in the world today. And we are maybe at the key point where at the same time we are testing the limits of democracy. We are testing the limits of ethics, values and the new emerging biotech and technologies coming and we are testing also maybe the limits of capitalism because most probably in 5 years time the set location will be totally different from what we've learned from modern finance history maybe, we have no values...all the refugees and migrants in europe will have to rethink democracy in a way. And all those things emerging in medicine and technology, I suppose I will call values have to be much much more stronger because, I think, our boundaries are pushed constantly which is very exciting but quite challenging. There are so many which....We'll see already that our lives...First of all, things have never moved so fast than most probably the simple things just to drive less cars. Most probably in 10 years, from now, maybe we won't have cars, maybe we wont drive, maybe we'll just choose shared cars or your own cars driving, maybe there will be less cars in the streets, maybe there will be no parking lots. So I think if you take every space in technology, you have so many new things coming, so many disruptive elements. Every where you look, it's really fearful and it's really extraordinary for opportunities depending if you look with an optimistic eye or it was an opportunistic eye you can do different things.

Question: Is there set an amount of hours of people should work to be successful?

I think if you're passionate, you don't count. So I suppose you don't count how much you love your wife, how much you love your kids. And if you're passionate you don't count how much your work. But some people are more gifted than others. Some people can sleep 4 hours a night and be perfectly fine, some others need 8 hours. Some people can travel the world and don't suffer jetlag and others do. I think you have to do as you are, in a way. Those are things you cant really change, if you travel loads of time you get more used to the jetlag or to the plane. But at the end of the day, you are as you are and you do as what you have.

Module 4: Life Advice

Question: If you could live 300 more years, what would you want to accomplish?

BS: Maybe you guys can live forever, we don't know. Some people think that your generations. I'm in the wrong generation, I suppose I'm in the generation of the guys who are still gonna die. And maybe you're from the generation of the guys who may still live for 300 years. I don't know, I won't do anything different. I will just be very interested because I think success is about long term vision and when you have the long term vision, you have to put in place the right processes and put enough energy to the game. And then leave time to be a lion. That's the problem of public companies because time is your company. In public companies, because you are there for the next quarter, or the next semester. If you run private companies, you have time to build strategies. If you're not complacent with yourself, your bodies are not complacent. If you are the chairman you are not complacent with the management then I think you get the best of two worlds. You have your long term strategies which can be aligned with your time horizon. So if I'll live 300 years that would be great, I have 300 years to succeed.

Question: Do you have hobbies? How important is it for students to have hobbies versus studying all the time?

BS: I think life is so intense today which is even more important than before to have several lives. I think you should have a professional life, you should have a family life, and you should have a few other passion that you'd pursue. I think I would be fortunate to be able to have always some passion. I have always passion about photography, I'm always passionate about traveling, about tribes and then about philanthropy. Most probably, I have to work longer hours, but I think to clear your mind from time to time during the days. It is very important, otherwise, you just think like in a bucket and you need to get out of the bucket from time to time to become a butterfly and to be able to fly on something where you have no restrictions where you don't wanna be judged. Maybe sometimes in your business, it's the frontiers are very tight around you depending on which level of management you are. I think you should pursue passions where you are more flexible and more open where you feel less judged and live your dreams.

Question: What advice would you give to the leaders of tomorrow?

Never has the world been so exciting and I think that the difficulties never been the world so challenging, never been the competition is so fierce. But in another way, I'm sure if you're passionate, if you are hardworking and if you have the vision, there's a space for you. And when you are young, I feel that most young people, they feel that there might be no space for them and we have to tell them, everyone has a space. It's just about you to find in which spots you want to be, in which spots you can be. You have to be a dreamer in a way. You have also to understand whom you are and what are your limits because some people think they can do, not everybody can be a JP Morgan, Bill Gates or any of those guys. You have to work with your own DNA, your own limits. You can improve your own limits a lot but you can transform yourself completely, transform yourself a bit.

Question: What are the hopes and dreams that you have for your own children?

□BS: My hope for them is that... I always tell them that the most important thing is freedom. They've been lucky enough to have been born and raised in countries where freedom was there maybe was a bit taken for granted. But it goes above and beyond political freedom. It's family freedom, it's personal freedom. So I hope for them that they find their way, they have their dreams, they fulfill them and they are free. And I want them to be free from me which is not difficult but free from others. My daughters I don't want them to count on their husbands nor their father or my sons. I think freedom and passion, it's the most important thing than the rest. If you have freedom and passion then you're happy.