

# Strategy and design to support your family office legacy

Today's plans for your family office can mean the difference between surviving and thriving in the future.

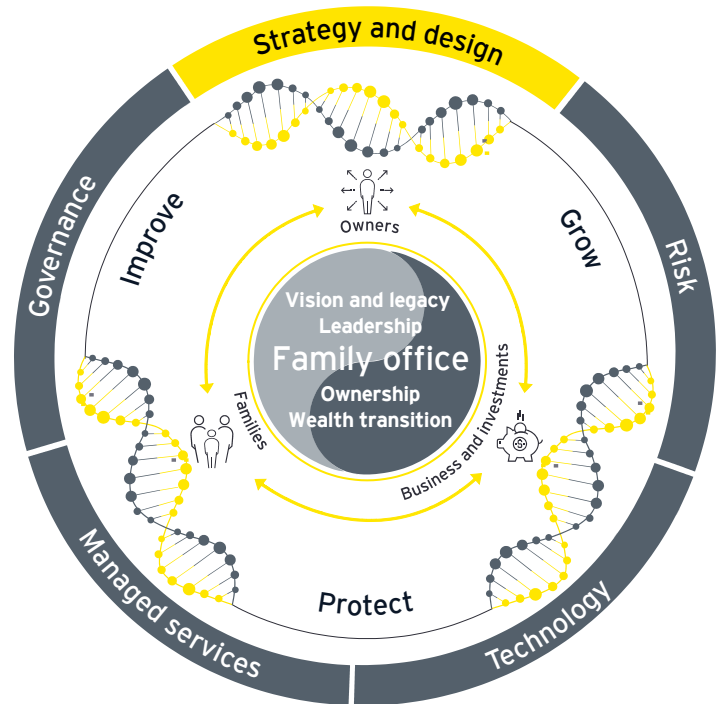
## What's your legacy?

Family office staff may be compared to a rubber ball, bouncing between tactical needs and requests of the various family members they support. We find that most families are very diligent about strategic planning for their business, but family offices often find it difficult to step back from the daily demands to take time for longer-term planning.

For a family to achieve its desired legacy, it must be intentional about strategic planning. The greater the complexity and size of the family, the more important such planning becomes.

## Where do you start?

- ▶ **Strategic plans.** Create a 5- to 10-year strategic plan to align the family office executives and team members across departments to meet key changes in business or technology and prepare for long-term business changes, investment opportunities or development projects.
- ▶ **Business plans.** One- to 5-year plans will support your strategic plan that describes key initiatives to meet the family's short-term objectives as well as meet the goals of your 10-year strategic plan.



In supporting the strategy of the family office, we work with family office leadership to align family goals regarding vision and legacy, leadership, ownership and wealth transition with a focus to protect, grow and improve.

## Family office strategic and business planning



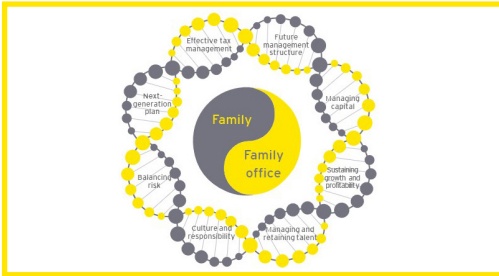
In a crisis (such as the COVID-19 pandemic), it is more important than ever that families have a long-term outlook on the businesses and investments they own. The strategic plan should be looking at "stress testing" assumptions on asset growth and income against the projected number of future family members and their consumption.

## Our approach – family office strategic planning

The greater the complexity and size of the family and investments, the more important strategic planning becomes to effectively manage competing priorities of the business and needs of the family, and to ensure their goals and objectives are aligned to preserve your legacy and enable growth and long-term success for your family enterprise. Our Family Office Advisory Services team can support you by focusing on strategic priorities through the family's lens and the family office perspective.

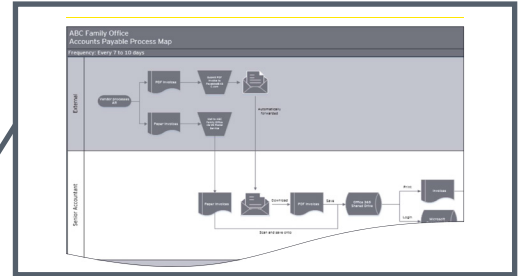
### Strategic alignment

Align family and business strategic focus on eight interdependent key areas of the DNA of a family office



### Process improvement

Assess and enhance processes to achieve efficiencies and quality improvement across operations

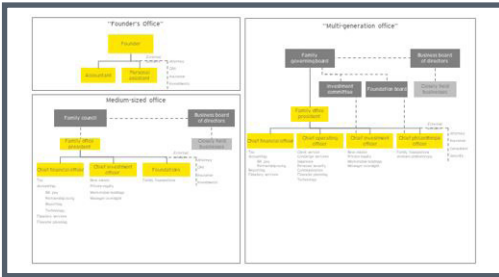


## Support family office strategic planning



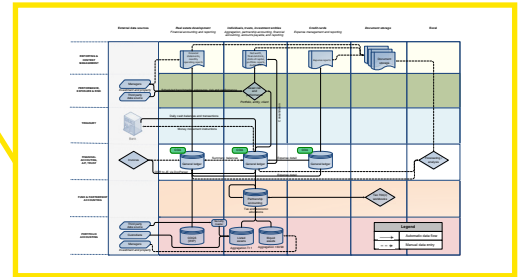
### People and oversight

Identify roles and responsibilities and governance framework



### Technology architecture

Protect family privacy and support timely strategic planning and decision-making while mitigating risks



## Our approach – family office design

We have examined global family offices to understand what makes them successful in the long term. Our professionals take a holistic view of the family, strategic, operational, regulatory and tax aspects in order to support the family members' move toward their long-term legacy.

### Why set up a family office?

1. Your family and business are growing, and your business staff is distracted by supporting family needs.
2. You have a liquidity event, such as selling the business.

There are many reasons setting up a family office might make sense. Below are the advantages and concerns most frequently identified:

### Advantages

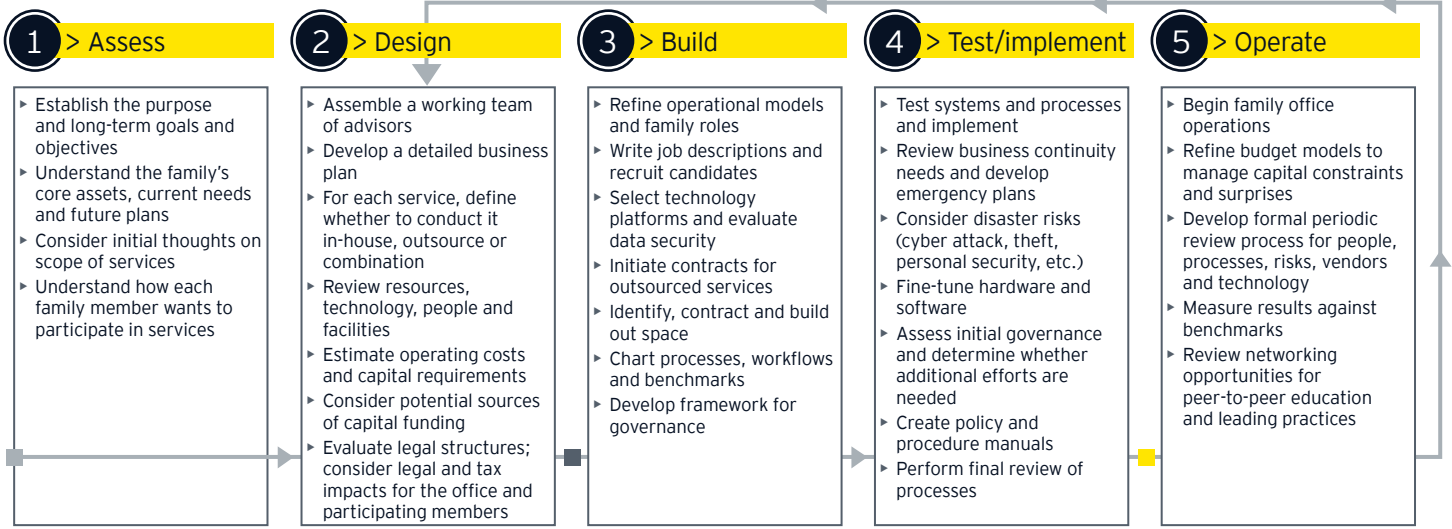
- ▶ Maintain family cohesion
- ▶ Enhance privacy and control over assets
- ▶ Manage family risks
- ▶ Support family entities and investments
- ▶ Service family houses and other holdings

### Concerns

- ▶ Cost of family office setup and operations
- ▶ Complexity of market, legal and tax infrastructures
- ▶ Difficulties in identifying and managing staff
- ▶ Obtaining leading advice across a wide range of topics

# Family office – design process

Iterative analysis and modeling to design and test the need for a family office, the type of family office and the operating model for the family office:



## Family office design enablement – EY witespace™

An EY witespace family office design workshop enables the design of your office with three core benefits:

### 1 Project acceleration

Accelerated approach, including prioritization, process design, implementation planning and preparation, and organizational alignment

### 2 Exploration and codevelopment

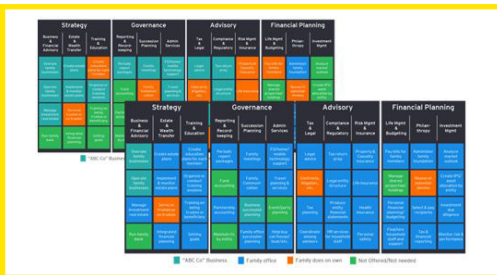
Client codevelopment and collaborative approach using technology, graphic innovation and hands-on activities

### 3 Speed to decision

Clarity of scope, project acceleration, road map development and action plans

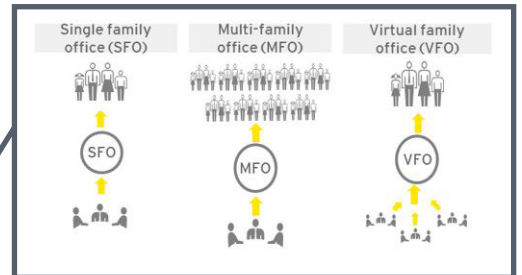
### What services will we perform?

Now/next/beyond



### How will we operate?

Insource/outsource/both

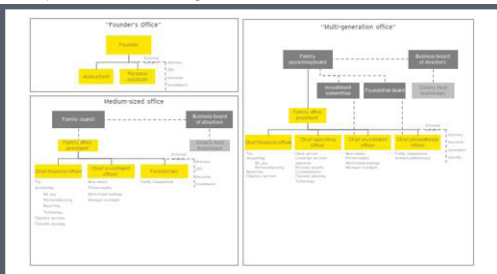


### Support family legacy, family office design



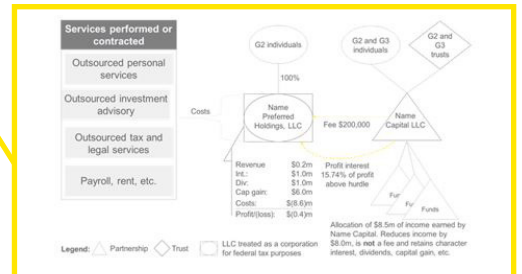
### How will we be served?

People and oversight

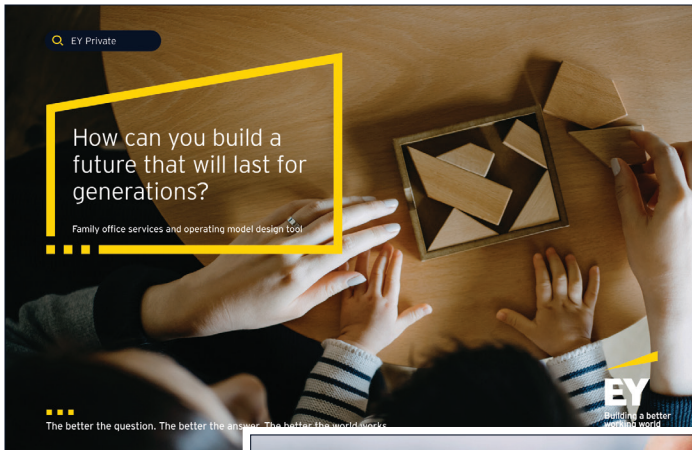


### How will we be structured?

Operation and tax/legal



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To learn more about how Family Office Advisory Services can support you, visit [ey.com/familyoffice](https://ey.com/familyoffice) or contact one of these Ernst & Young LLP professionals:

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