

OPERATIONAL EXCELLENCE IN THE FAMILY OFFICE

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING



Today's agenda

- Family office technology and data challenges
- Your digital transformation journey
- Search and selection
- Implementation
- Key takeaways and closing thoughts



RSM's family office enterprise practice

RSM's dedicated family office enterprise (FOE) practice helps define and sustain a family's vision across their operating business, investment structure, and the family office.

By pairing the power of understanding of the goals of families with our customized and integrated services, technology, and insights, RSM is uniquely positioned to deliver long-term value to family offices.

500+

Single-family offices served by RSM

30+

Multifamily offices served by RSM

800+

RSM professionals from across our Lines of Business with family offices and ultra-high net worth clients

39

Countries in the global RSM enterprise with private client and family office capabilities

With you today



Steve Riddle

Principal, Family Office Relationship
Leader

404-751-9293

stevem.riddle@rsmus.com



Laurie Mosebrook

Principal, Management Consulting

401-246-8434

laurie.mosebrook@rsmus.com



John Castrucci

National Managing Director, Family Office
Advisory Services

201-788-9620

john.castrucci@rsmus.com



Christy Richardson

Manager, Business Applications

617-241-6413

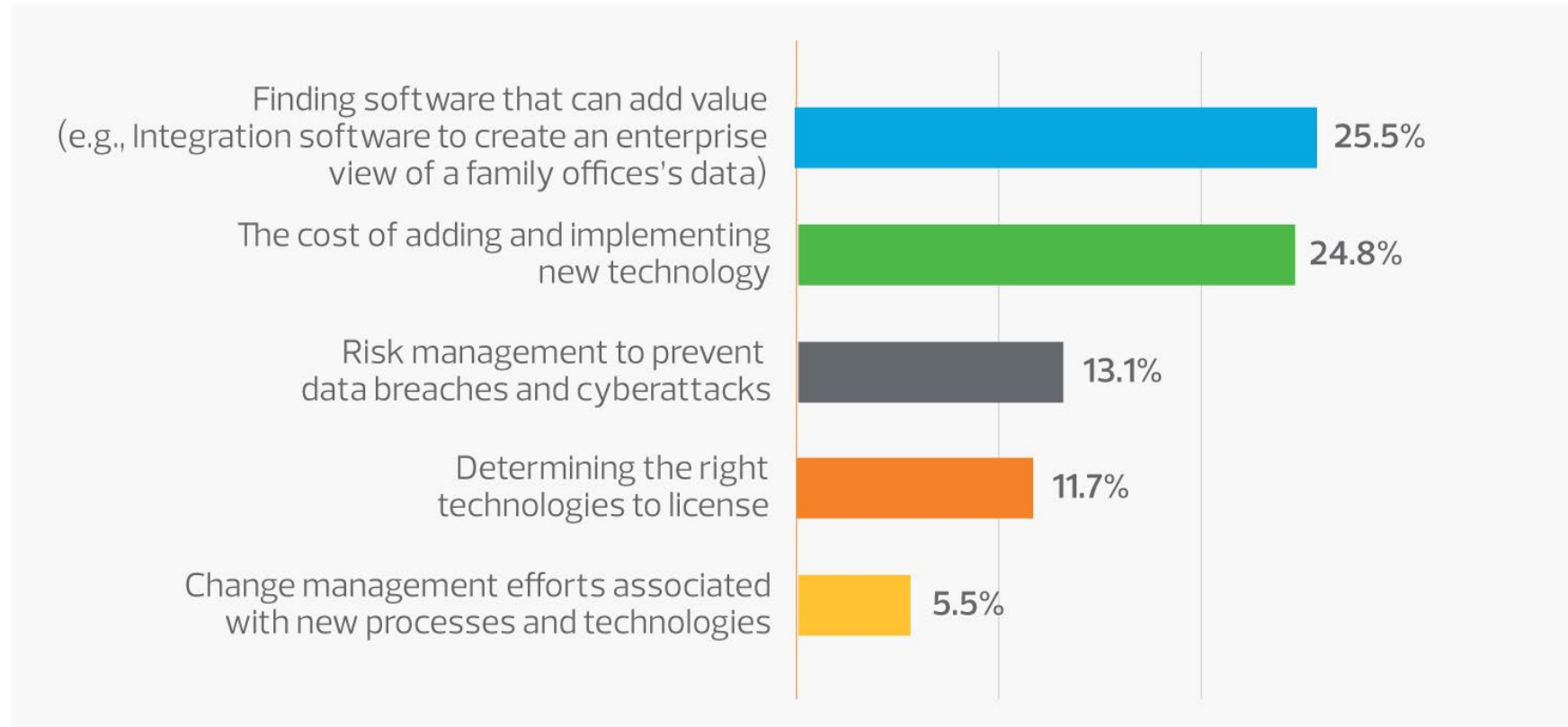
christy.richardson@rsmus.com

The four pillars of operational excellence for family offices



Family office technology and data challenges

What is the biggest technology and/or data challenge over the next 12 months?



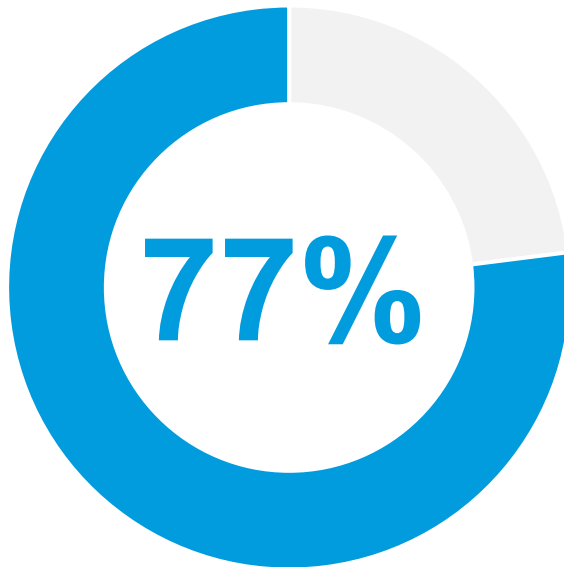
Source: RSM Operational Excellence webcast, "Achieve operational excellence in the family office" on May 15, 2023; 18% of attendees selected "not applicable" or "other."



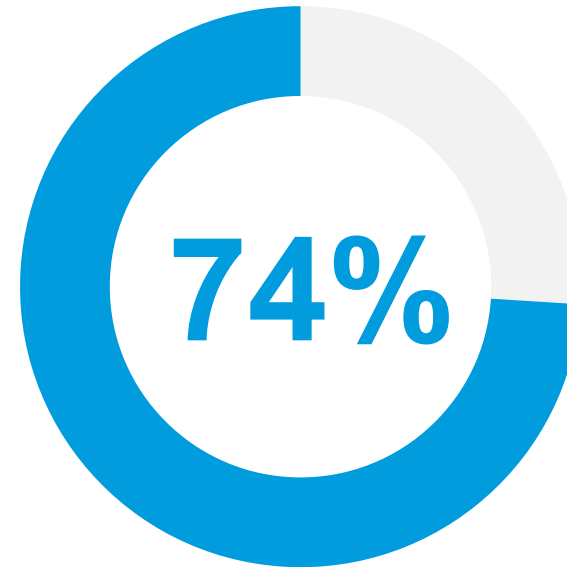
FAMILY OFFICE TECHNOLOGY AND DATA CHALLENGES

Investing in digital transformation

Plan to increase their
IT budgets in 2024

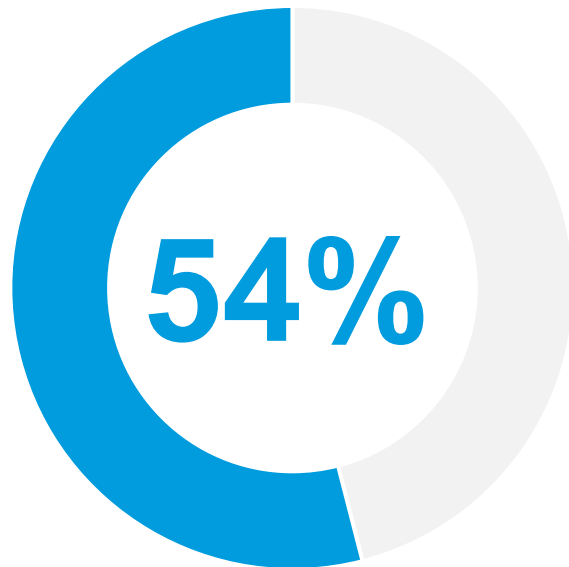


Said **digital transformation** was the most important area of investment



Costs to run the family office

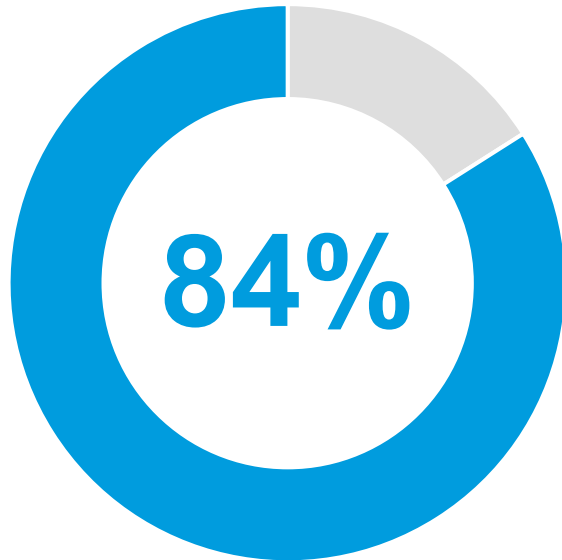
Percentage of U.S. family offices expecting **increased technology costs** over the next three years



Cybersecurity will also increase in terms of cost...it's a very high agenda point at the board and family level.

The family business is embracing technology

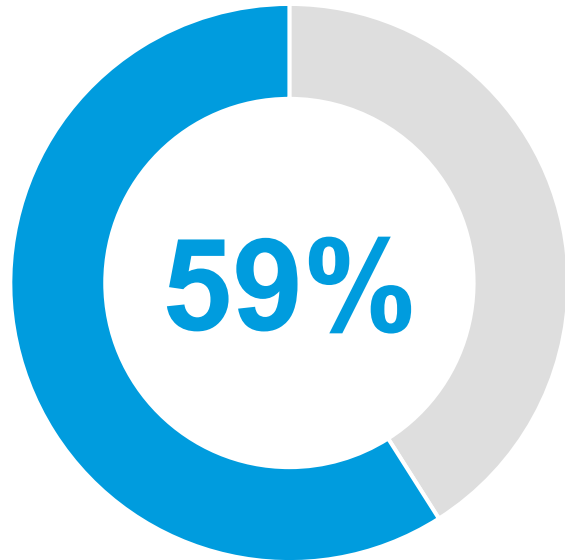
The large majority of families say they are embracing **new technology**



Top priorities of the **next gen** when joining the family business

- 1 **Protect and sustain the business**
- 2 **Embrace digital transformation**
- 3 **Increase the use of technology**

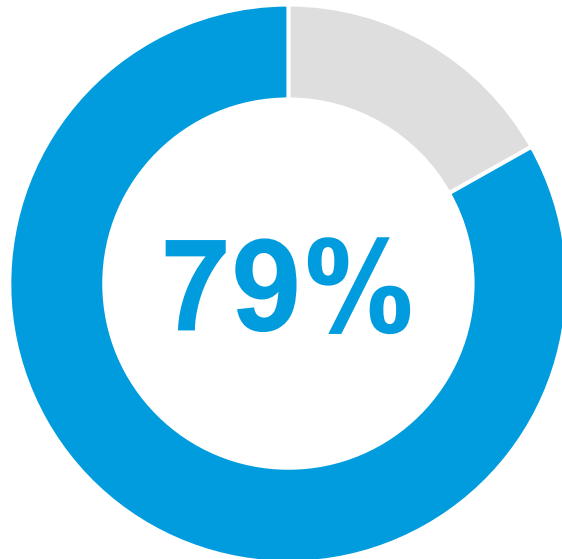
Attitude toward cloud usage



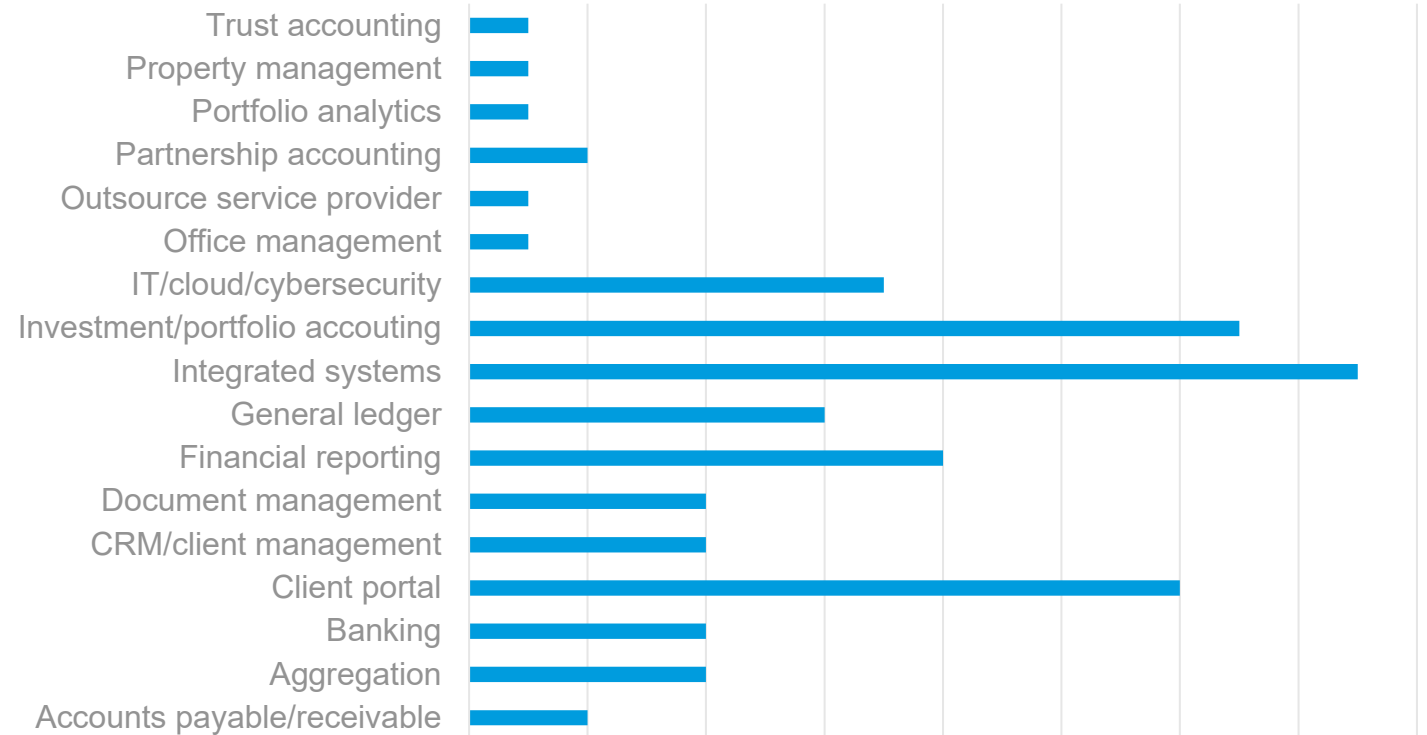
59% prefer to have as much of their systems, data, and documents **in the cloud** as possible.

Technology needs in the family office world

Percentage of respondents who are currently making or planning to make **technology changes** this year



Top technology used in family offices





YOUR DIGITAL TRANSFORMATION JOURNEY

Holistic approach

VISION AND STRATEGY

Capturing and refining strategy that empowers employees to become valued business partners that execute processes with targeted outcomes in alignment with business goals

ORGANIZATION AND PEOPLE

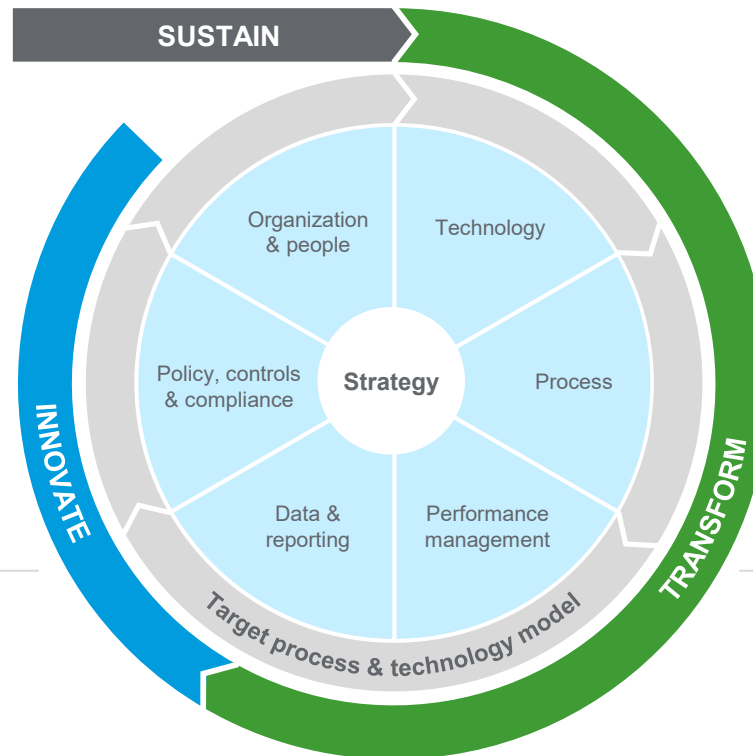
Aligning people with specific roles and responsibilities within an organizational model that is responsive to change and utilizes formal projects for developing the next generation of leaders

POLICY, CONTROLS AND COMPLIANCE

Defining a common business language that is disseminated across the organization and identifying proper segregation of duties to balance cost, risk and quality of output

DATA AND REPORTING

Standardizing and governing data to balance source system supply with reporting and analytic demand



TECHNOLOGY

Integrating transactional, storage, and reporting systems end-to-end to drive automation across critical business processes and data elements

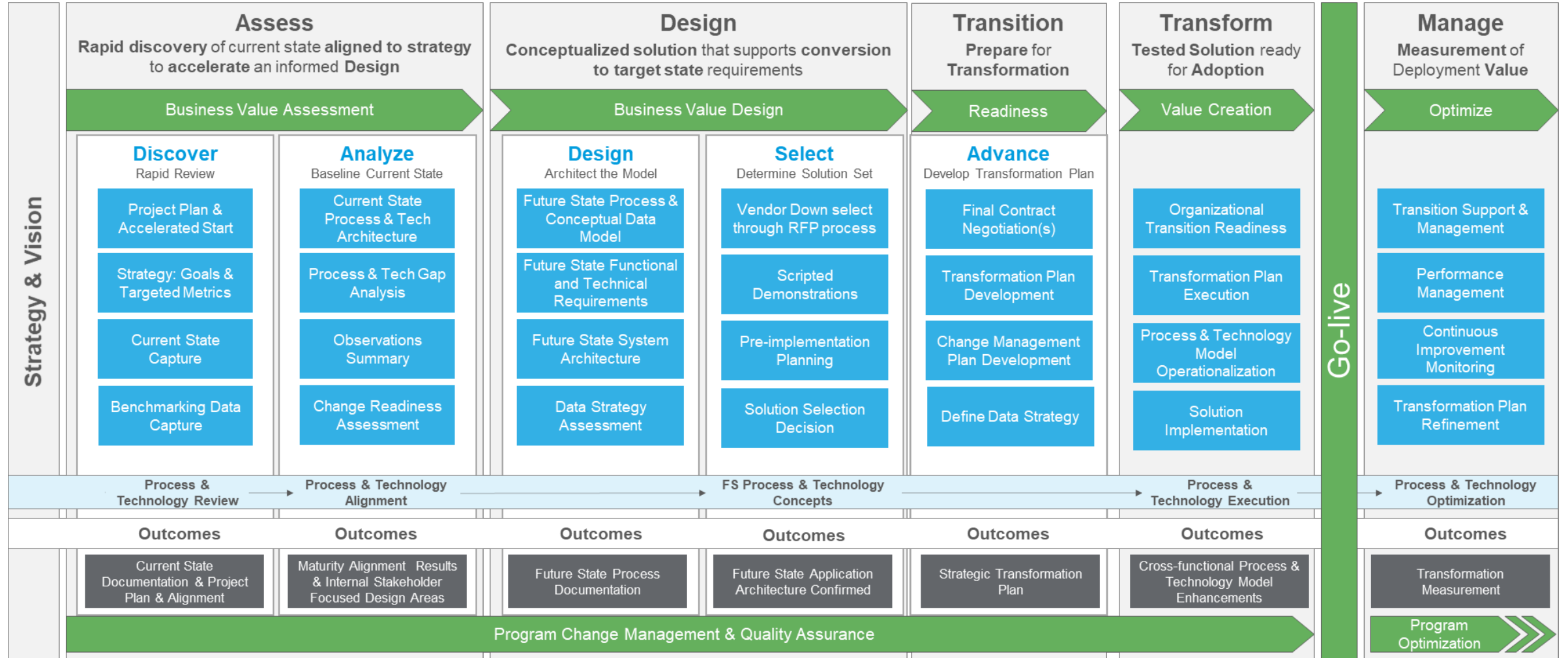
PROCESS

Designing tasks and activities with clear ownership in order to execute business objectives with efficiency and effectiveness

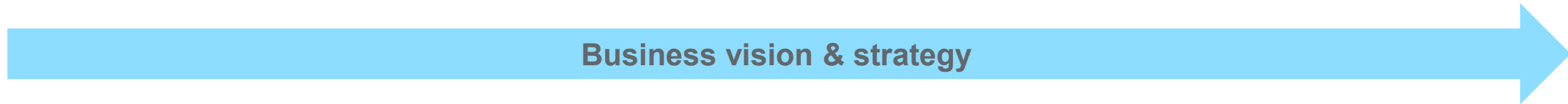
CHANGE AND PERFORMANCE MANAGEMENT

Developing KPIs that align to strategic goals and enable operational efficiency and performance improvements that create enterprise value

The journey



Transformation readiness



- Review current business processes
- Document system requirements
- Determine key decision drivers
- Identify software vendors in market
- Determine software vendors to be evaluated further

- Conduct OCM capability assessment
- Gain understanding of full technology environment
- Define high-level data strategy and future state data flow
- Document current business processes

- Facilitate vendor discussions and demonstrations
- Conduct follow ups and reference checks (as required)
- Qualitative/quantitative analysis of each vendor
- Evaluate solutions
- Discuss contract negotiation and implementation options



IMPLEMENTATION

Implementation methodology



Mobilize

- Establish project Team
- Project orientation
- Project planning
- Project kick-off
- Data migration templates
- RSM environment
- Environment provisioning



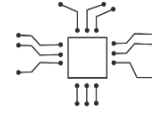
Analyze & design

- Define business process flows and requirements
- Define migrations and integrations'
- Interactive configuration reviews
- Solution design doc
- Functional requirements doc
- Solution validation
- Verification sign-off



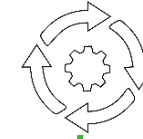
Build & validate

- Configuration
- Master data conversion and migration
- User acceptance scripts
- End to end system testing
- Client process documentation
- Quality configuration review
- Implementation environment



Deploy

- User acceptance testing
- End user training
- Go-live staging & validation
- Go / no go decision
- System deployment and reconciliation
- Final migration
- Production
- Go-live



Operate

- Post go-live & operational support
- First month close support
- Project closure
- Transition to support
- Future phase planning



WRAP UP

Final thoughts



Steve Riddle

Principal, Family Office Relationship
Leader

404-751-9293

stevem.riddle@rsmus.com



Laurie Mosebrook

Principal, Management Consulting

401-246-8434

laurie.mosebrook@rsmus.com



John Castrucci

National Managing Director, Family Office
Advisory Services

201-788-9620

john.castrucci@rsmus.com



Christy Richardson

Manager, Business Applications

617-241-6413

christy.richardson@rsmus.com

Key takeaways

1

Investing in the right technology

Family offices are embracing new technology to optimize their operations.

2

Implementation is a critical operational success factor

Prioritize implementation for sustainable performance benefits over frequent restructuring.

3

Plan your OpEx journey

Start with an enterprise-wide technology assessment and develop a clear plan to unlock value going forward.

THANK YOU