

FAMILY OFFICES: THE STEP HANDBOOK FOR ADVISORS

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The one-two punch of Clare Archer (Consulting Editor) and Barbara R. Hauser (Advisory Editor) have knocked down the competition in the world of family office scholarship with the publication of *Family Offices: The STEP Handbook For Advisors* (Globe Law and Business Publishers March 2015). Bringing together fifty-two of the brightest minds in the field, Archer and Hauser provide the family advisor an important tool to facilitate meaningful discussions regarding the viability of a family office for a particular client. The book at 419 pages is broken down into two sections. In the first, twenty chapters tackle individual issues which arise within a family office – from formation to termination. In the second, eleven jurisdictions are discussed in detail: Australia, Canada, The Gulf Region, Hong Kong, India, Israel, the Netherlands, Russia, Switzerland, the United Kingdom, and the United States. Within each section, chapters range in length from a handful of pages to a bit over twenty pages, most with helpful checklists and diagrams. With an average chapter length of about twelve to fifteen pages, this reviewer found the book particularly easy to read on her daily commute, a chapter a day.

Before examining two sample chapters in depth, a word to the advisor who might think this book is not for her because she does not have the high net worth client base with the resources to form and operate a family office. Guess again! This book has application outside the family office world. Many of the chapters in the first section focus on issues which are as important to a family charitable endeavor as they are to a family office: structure, governance, family values

and mission statements, investments, and conflict resolution, to name a few. Kirby Rosplock's chapter "Family values, mission, and vision and the family office" is a perfect example of the wide-ranging usefulness of this book.

Let's turn to the sample chapters. Within the "nuts and bolts" first section of the book is William S. Wyman's chapter "Family offices and technology: the challenge, approach, and opportunity." Wyman begins by laying out the technological challenges faced by a multi-generation family office, where individual family members inevitably exhibit wide ranging levels of technical skills and interest. How are the competing but equally important goals of privacy, access, and collaboration met across these skill levels? How does the family office balance cost with keeping current? To answer these demands and, importantly, to help find an effective vendor who can work with the family office to meet these demands, Wyman provides the advisor with several pages of thought provoking questions collected around individual topics such as Operations, Planning, Security, Reporting, Access, Reputation, Compliance, and Going Concern. This methodical approach to the issue of family office technology culminates in a seven point "Next Steps" blueprint for action.

Within the jurisdictional second section of the book Aditya Gadge's chapter "India" represents the wealth of information this section provides. Gadge starts out by noting India's special challenges including a tendency towards family feuds; a weak legal infrastructure; a failure to leverage the intellectual capital of female family members; a lack of uniformity of law and culture; the historical failure to separate business wealth from private wealth, and the relatively recent accumulation of high net worth family wealth. Yet India's special strength may be its

historical emphasis on the family, with Gadge pointing out that the concept of a family office in an unstructured form has a long history in India. The challenge for the advisor according to Gadge is to bring structure to the family operation: to permit outside professionals to become privy to family discussions while insuring the highest level of discretion so important in India, to broaden the Indian family's economic perspective beyond maintenance of the current family business enterprise to include the formation of new avenues of wealth through venture capital and hedge fund investment strategies; and to engage all family members in the forward movement of the family regardless of age or gender.

The inevitable overlap that occurs when many authors contribute to a book on a single topic was artfully kept to a minimum by the editors Archer and Hauser. Their careful eye and editorial judgement has resulted in a comprehensive book which is readable and informative.