

O C O R I A N



Ocorian's 2024 global
Family Office report

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Introduction

In July 2024, Ocorian's Private Client team undertook a piece of primary research which reveals the key investment themes facing Family Offices – everything from their approach to asset allocation and investment strategies. It also uncovers their increasing professionalisation – how they plan to manage core functions, which jurisdictions they prefer and their succession plans.

We have amalgamated our research into a comprehensive global Family Office report across our jurisdictional reach, including the UK, Europe, Asia, the Middle East, the Americas and Africa. We hope this report serves as a valuable resource and provides actionable insights. Our global Family Office report will be followed by jurisdictional reports as we take a deeper dive into the regional Family Office nuances.

To register for our five regional reports, please follow the QR code below.



Key research finding

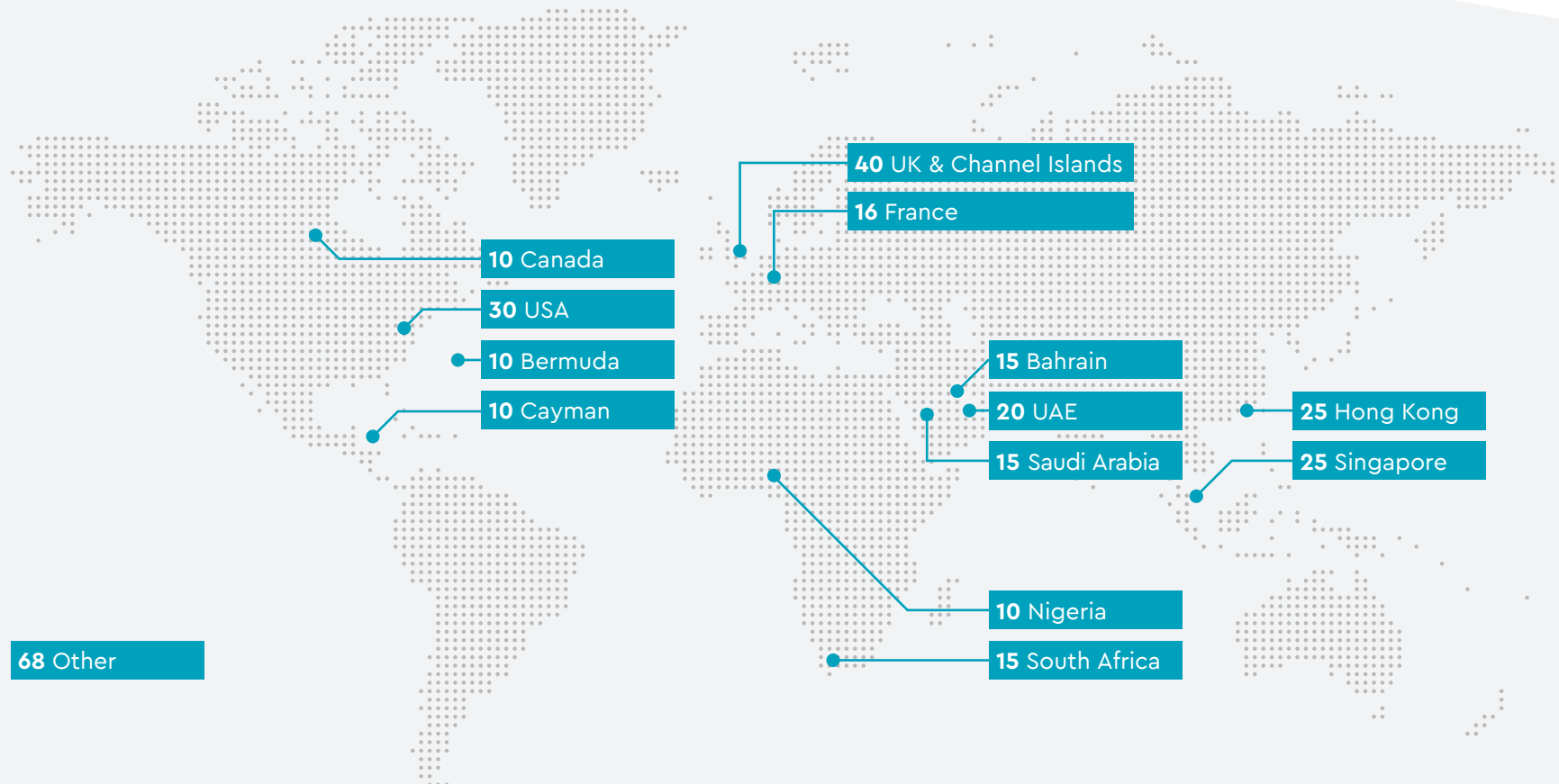
- Family Office investment strategies
- Next generation and succession planning
- The role of third-party outsourcing
- The professionalisation of the Family Office
- Family Office operations and structuring
- Key trends and areas of focus

Research background

The research was conducted by independent research agency PureProfile. It asked 45 questions in total and was completely anonymous – respondents didn't know the survey was Ocorian led.

It was completed by 309 respondents in total who all outsource to third-party service providers. Respondents were from both single and multi-Family Offices and help to manage over \$100 million or more of family wealth.

Respondents by geographic region



Family Office investment strategies

Thinking of the funds you help to manage; how do you see their allocations to the following asset classes changing over the next 12 months?

UK equities

⚡ 35.6% ▲ 48.5% = 15.5% ▼ 0.0% ? 0.3%

European equities

⚡ 41.4% ▲ 31.1% = 25.2% ▼ 0.0% ? 2.3%

US equities

⚡ 25.6% ▲ 39.5% = 28.8% ▼ 1.6% ? 4.5%

Emerging market equities

⚡ 38.8% ▲ 36.2% = 22.3% ▼ 1.0% ? 1.6%

Investment grade fixed income

⚡ 41.7% ▲ 36.2% = 20.4% ▼ 1.0% ? 0.6%

Non-investment grade fixed income

⚡ 16.8% ▲ 31.4% = 42.4% ▼ 2.6% ? 6.8%

Real estate

⚡ 33.7% ▲ 48.2% = 15.5% ▼ 1.3% ? 1.3%

Private equity

⚡ 41.1% ▲ 35.0% = 22.3% ▼ 1.3% ? 0.3%

Infrastructure

⚡ 32.4% ▲ 38.2% = 24.9% ▼ 2.3% ? 2.3%

Private debt

⚡ 32.7% ▲ 41.1% = 22.3% ▼ 3.2% ? 0.6%

Hedge funds

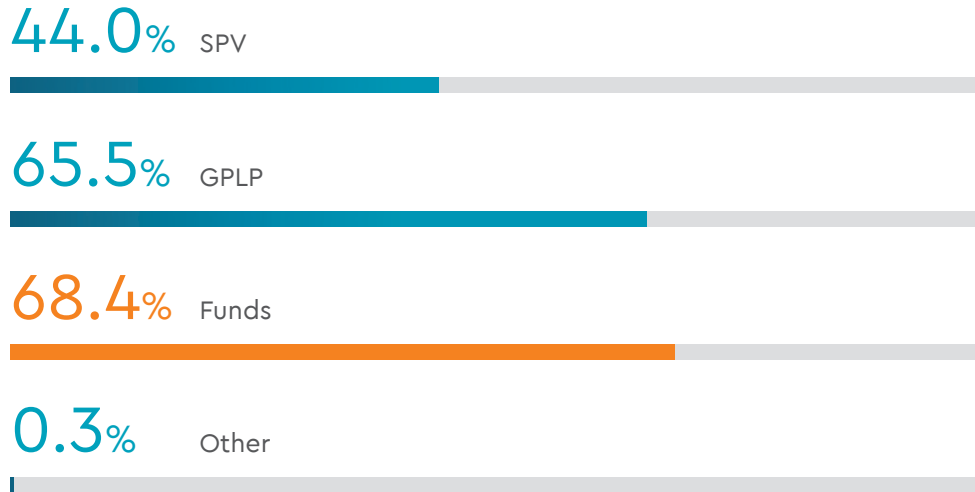
⚡ 30.7% ▲ 45.3% = 21.7% ▼ 0.3% ? 1.9%

Other alternative asset classes

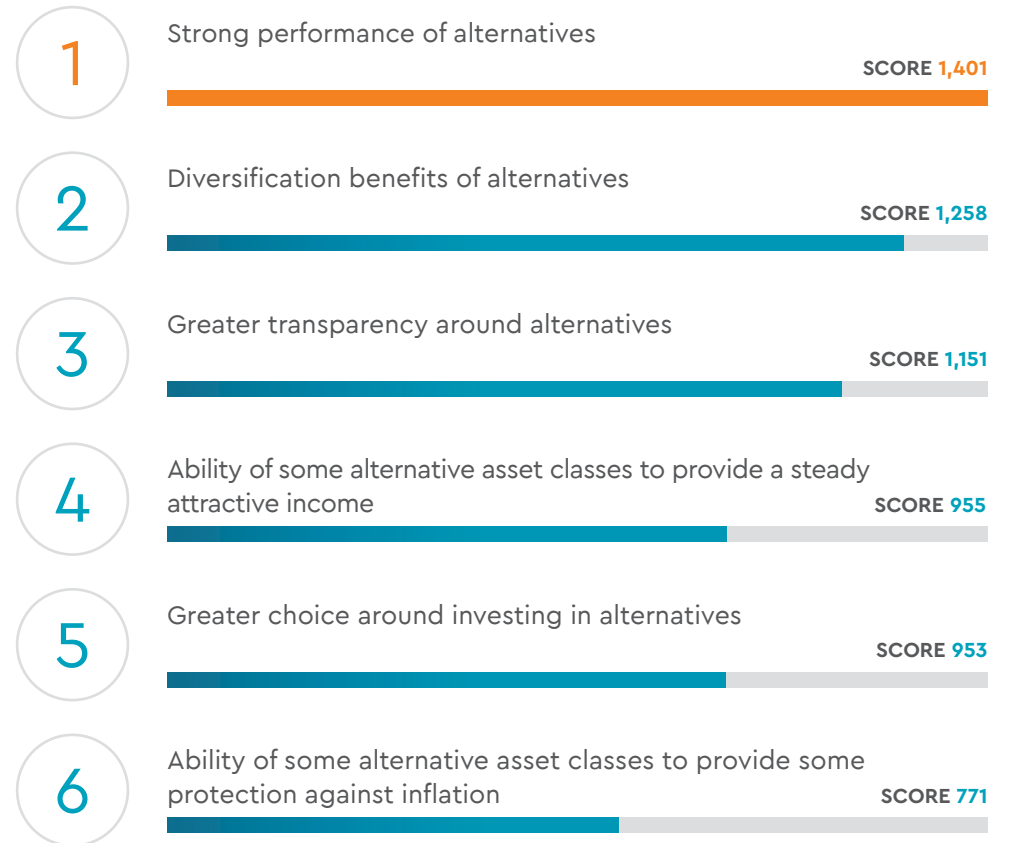
⚡ 14.6% ▲ 27.8% = 37.2% ▼ 4.2% ? 16.2%

⚡ Increase dramatically ▲ Increase slightly = Stay the same ▼ Decrease ? Don't know

Family offices are increasing their exposure to alternative asset classes, and this is a longterm trend. If you agree, in which vehicles do you see this growth in exposure being structured?



Why are Family Offices increasing their exposure to alternative asset classes? Below are some benefits of investing in alternatives, please rate them in order of importance.



How do you see the investment risk appetite of your family, or that of your clients changing over the next 12 months?



If you think it will increase, why is this?

44.0% There is a feeling that markets have hit the bottom / they are ready to recover

54.8% There is a feeling that inflation will peak soon / has peaked

46.8% There is greater transparency around riskier / more specialist asset classes

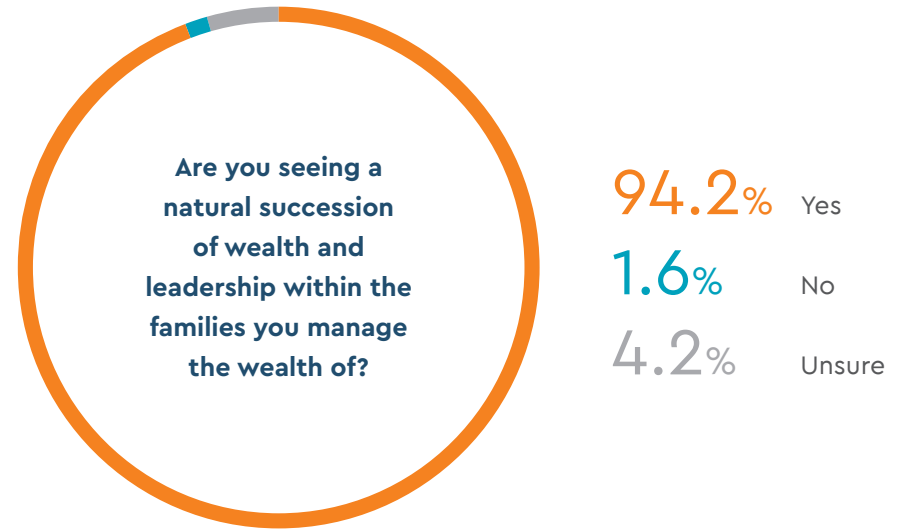
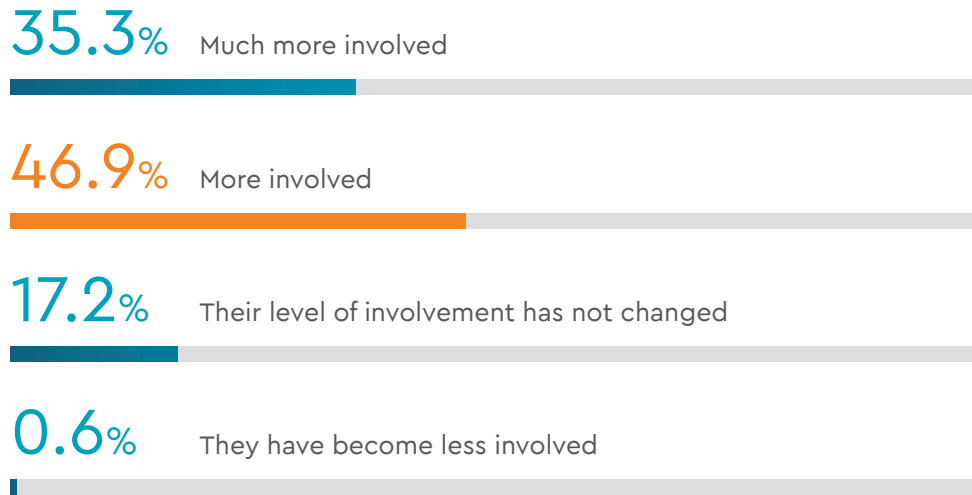
61.5% There is greater regulation around riskier / more specialist asset classes

28.6% Many Family Offices have had too much of their wealth in cash for too long

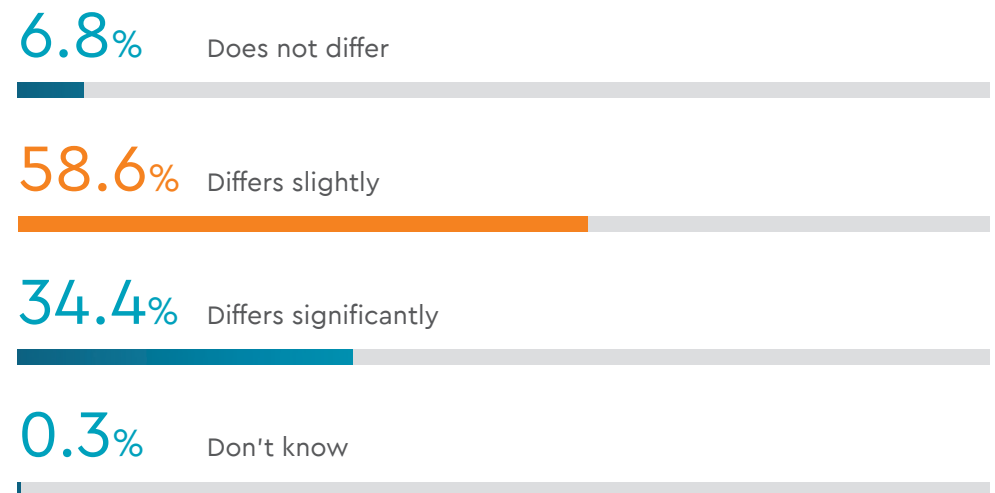


Next gen and succession planning

Thinking about the family or families whose wealth you help to manage, are the next generation becoming more or less involved in developing / reviewing the investment strategy you and your colleagues have developed for them?



How widely does the approach and priorities of the next gen differ from the founding / originating generation?

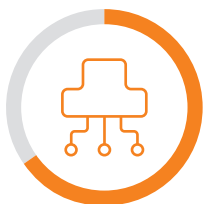


Where the next gen approach and priorities differs slightly or significantly, around which areas of focus do you see the greatest emphasis?



42.2%

ESG /
impact investing



65.5%

Digital assets



18.5%

Philanthropy



33.8%

Investment
risk appetite



28.2%

Asset allocation /
overall investment strategy



46.0%

Increased focus on
private markets



31.4%

Geographical
footprint



20.2%

Synthesising
cultural priorities



11.8%

Ownership of physical
assets e.g. real estate,
business aircraft etc.



2.4%

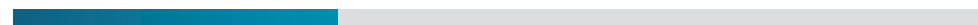
Location of
Family Office /
family business




The role of third-party outsourcing

If you expect to outsource more services to third parties, why is this?


33.3% It will enable us to focus on our core strengths



63.8% It enables us to improve our overall service levels




49.5% Clients are increasingly expecting this



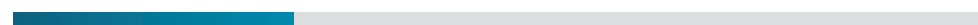
24.3% Regulatory pressure



67.0% It is good to work with, and benefit from, professionals who have expertise and familiarity of working with families / Family Offices

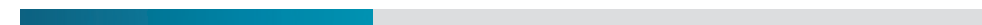


28.8% We have many investments, using one Family Office in one jurisdiction helps to group compliance requirements in one company structure




How do you see the role of third parties evolving to meet the needs of your Family Office over the next 3 years?

36.2% They will facilitate access to a broader range of financial services and solutions




70.2% They will provide access to an increasingly globalised network of administration centres




47.6% They will bring sophisticated regulatory expertise



59.9% There will be a diversification of skillset – in response to regulatory changes, evolution of digital assets etc.



17.5% Increasingly sophisticated technology, to facilitate greater transparency in relation to how assets are structured



The professionalisation of the Family Office

Over the past five years, do you feel that the Family Office has become more professional in its operations and structure?

19.4% Yes, it has become much more professional

65.7% Yes, it has become slightly more professional

14.6% It was already very professional and didn't need to improve much

0.3% No it has not become more professional

If you think the Family Office you work for has become more professional, in what way has it done this?

47.9% Strengthened the family constitution / charter / introduced one

52.5% Developed a stronger succession plan

41.4% Developed a more diverse and professionally managed investment portfolio

39.5% Strengthened our compliance, tax and legal infrastructure

44.5% Strengthened the management team that runs the Family Office

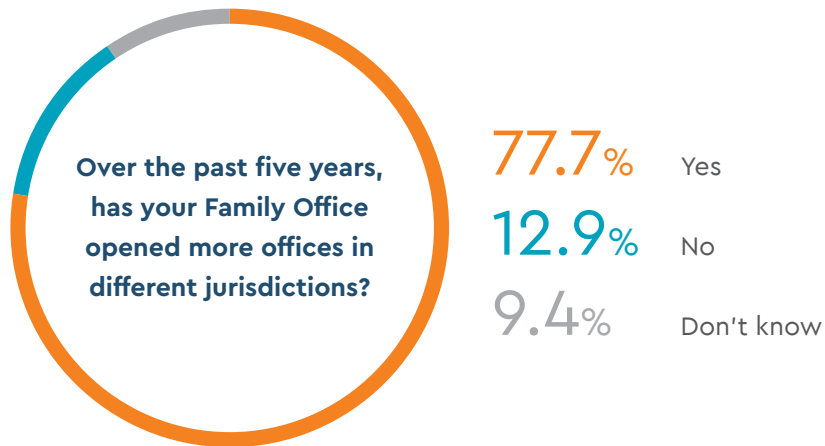
45.6% Secured the support of more professional third parties

34.2% Developed a more cohesive and robust philanthropy programme

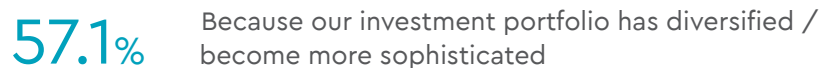
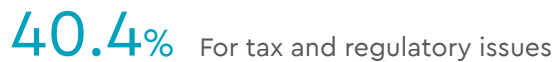
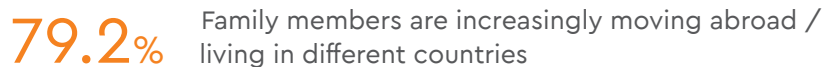
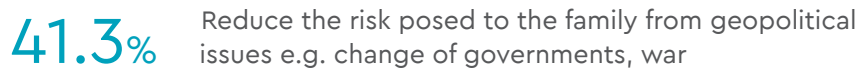
11.4% Developed a much better oversight / view of all of the assets owned by the family / families



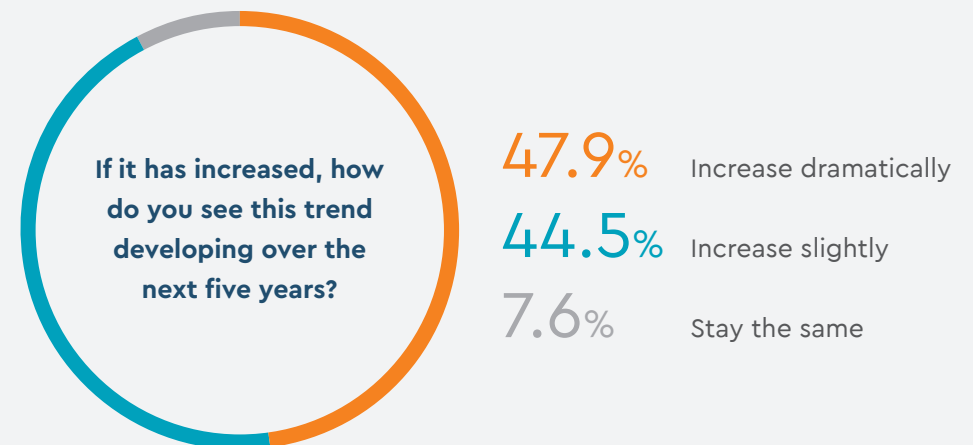
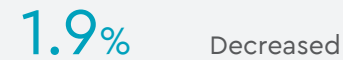
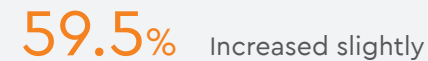
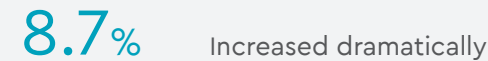
Family Office operations and structuring



If it has opened more offices, why is this?



Over the past five years, overall what has happened to the level / value of assets held by the Family Office?



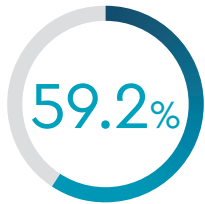
Some of the issues to consider when deciding where to open a Family Office.



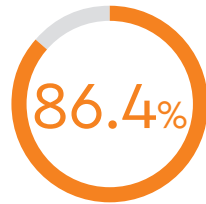
Some factors to consider when choosing a jurisdiction to structure your wealth.



Below are some of the biggest challenges facing Family Offices



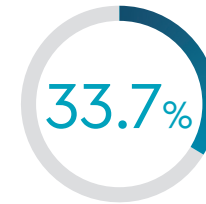
Ensuring our investment portfolio is properly managed and aligned with the risk / return profile of the family / families



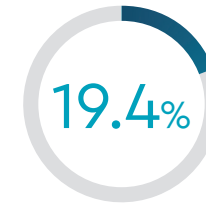
Ensuring we have the right governance in place to enable us to meet the needs and expectations of family members



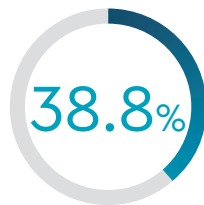
Upgrading our technology



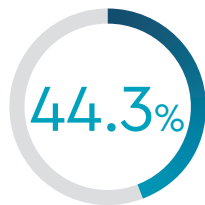
Navigating regulatory compliance issues



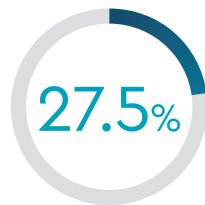
Managing costs



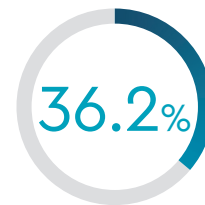
Maintaining confidentiality and privacy



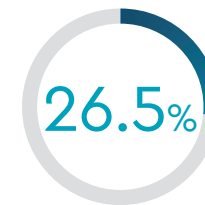
Having a robust family succession plan in place



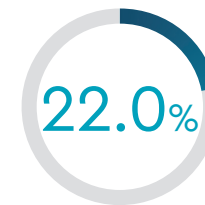
Preserving the value of assets



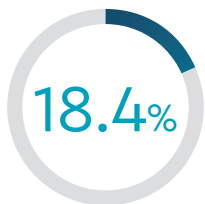
Preparing the next generation for their wealth transfer



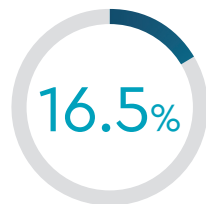
Managing leadership transitions



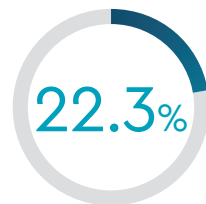
Strengthening family governance



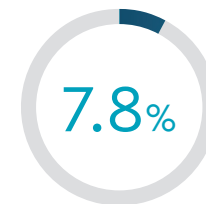
Enhancing philanthropic impact



Managing family spending



Ensuring the investment portfolio is being properly maintained



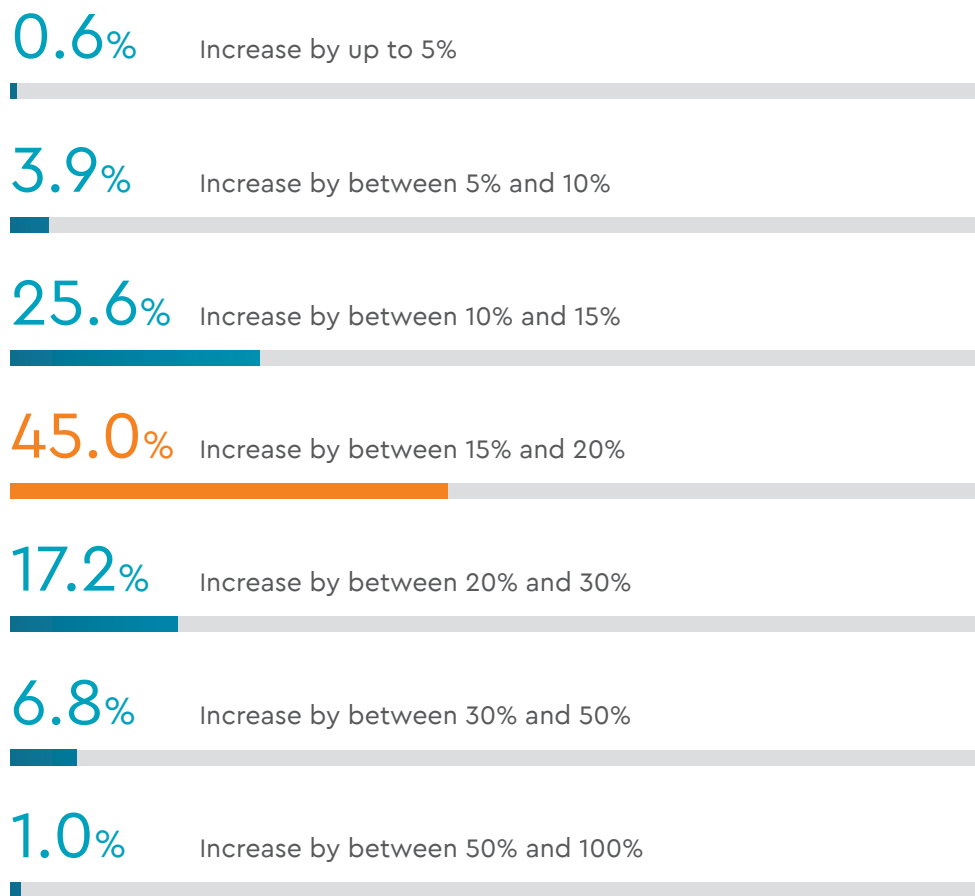
Ensuring best practice around tax and regulatory issues



Political uncertainty

Key trends and areas of focus

The level of philanthropy from Family Offices / ultra-high net worth families is increasing. How do you see this trend developing over the next two years?



To which of the following themes is your family, or your client's philanthropy linked?



41.4%

Climate change and the environment



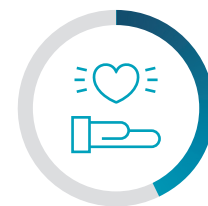
67.0%

Healthcare and medicinal research



16.2%

Education



43.0%

Access to clean water and sanitation



51.1%

Diversity, equity and inclusion



29.1%

Housing



15.5%

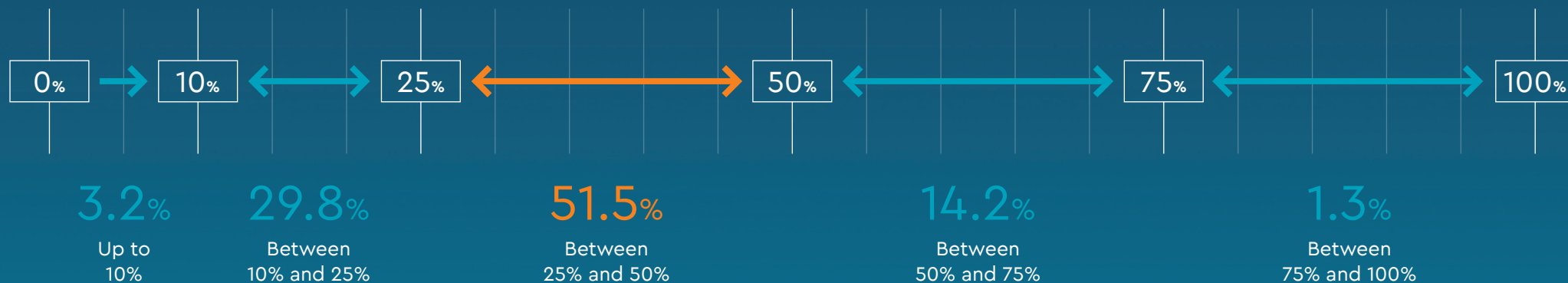
The arts



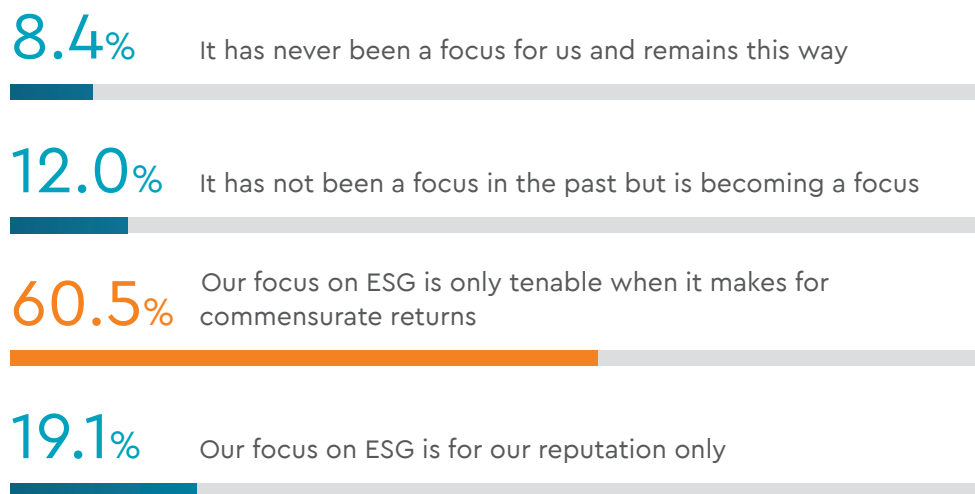
15.5%

Disaster preparedness and relief

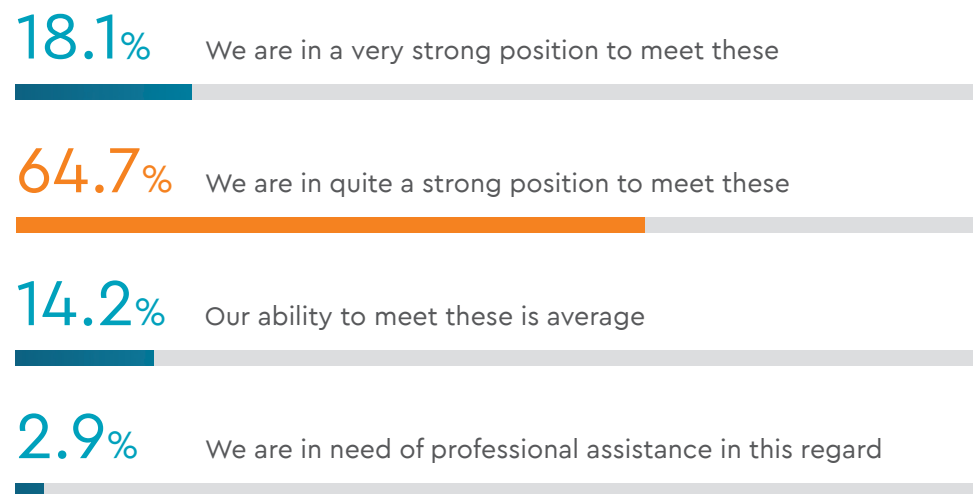
What percentage of your family or your Family Offices' philanthropic financial support does it expect to see an investment return on?



How do you see the focus on ESG principles from a fiduciary perspective changing over the next three years?



Global regulatory demands facing family businesses / Family Offices are constantly changing and increasing in complexity. To what extent do you feel well advised and well equipped to meet the regulatory demands you are facing?



Ocorian's Family Office services



Formation & administration of a Family Office

We provide formation and ongoing administration services for all types of Family Offices as well as in relation to the structuring and administration needs of the family assets.



Family governance

We implement family governance planning bespoke to a family's circumstances/objectives e.g. establishing a charter, advising family members, philanthropy, and succession planning.



Working with an existing Family Offices

We provide supporting services to established Family Offices tailored to what they need.



Resident and relocation services

We manage residency applications or work permit applications and visas for individuals, families and employees either inhouse or through partner firms.



HR support services

We provide HR services bespoke to you whatever your circumstances / objectives. This may include payroll, recruitment, staff management and ad-hoc support.



We partner with Family Offices

To enhance their treasury and accounting functions alongside offering specialist administration services to ensure the full range of assets are comprehensively managed.



Lifestyle and luxury assets

We ensure your lifestyle and luxury assets are managed appropriately and by professionals.



Contact
our team

Corporate Services | Capital Markets | Fund Services |
Private Client | Regulatory, Compliance & Legal



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