

# *New* ECONOMY, *Next* GENERATION

*Family Offices in a Changing World*



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## FOREWORD

# Wealth *in the new* ECONOMY

It would be a major understatement to say that the world has changed in recent years. Sadly, as the economic shockwaves from Covid-19 continue to reverberate, the worst geopolitical crisis for a generation threatens global stability.

Although wealth accumulation has proved largely resilient during the pandemic years – as it did during the global financial crisis more than a decade earlier – ultra-high net worth individuals recognise that the new, post-Covid economy presents complex challenges.

At a time of heightened inequality, wealthy families face an increasingly challenging macroeconomic environment, as well as a changing global regulatory landscape.

In this context, our new research – which draws on in-depth discussions with 21 representatives of wealthy families, family offices and government bodies, as well as other experts in the field – sheds light on the priorities for the world's most influential families.

One of our clearest findings is that the next generation, who range from teenagers still working out how they will fit into the family



structure to adults who already have control of their own wealth, are helping their families navigate this new and uncertain landscape. They are bringing fresh ideas, often informed by a keen awareness of social and environmental issues, which are influencing their families' governance and succession plans and helping extend the role of the family office.

The next generation are embracing the opportunities presented by impact investing, focusing their energies on innovative strategies that protect the environment and will help create a better world, as a way of building on the philanthropic legacies of earlier generations. They also share with us their passion for the game-changing potential of emerging technologies such as metaverse and web3.

Finally, as bankers and trusted advisors based in Singapore, we explore the recent growth in

family offices in the city state, comprising Asian families as well as Western families looking to set up a secondary presence in Asia.

Today's world is anything but straightforward, but we are confident that affluent families are open to new ideas, to prepare for the future and build on the strengths of the past.

We hope you find our report insightful and would be delighted to discuss our findings with you in more depth.



**Sim S. Lim**

*Group Executive, Consumer Banking  
& Wealth Management, DBS Bank*

# About the RESEARCH

**N**ew Economy, Next Generation: Family Offices in a Changing World is based on the insight of 21 influential figures, who either took part in a wide-ranging interview or submitted written responses. The report was researched and written by FT Longitude, the specialist thought leadership division of the Financial Times Group, in spring and summer 2022.

We would like to thank the following for their time and insight:

## Family members and investors

Leena Dandekar, *Raintree Family Office*

Anne Deane, *Freyja Foundation*

Ian Simmons, *Blue Haven Initiative*

Liesel Pritzker Simmons, *Blue Haven Initiative*

Arvind Tikku, *AT Capital Group*

Dr Mary Ann Tsao, *Tsao Family Office*

Raj Vaswani, *IshK Tolaram Foundation*

Ditte Lysgaard Vind, *the Circular Way*

A senior member of a wealthy family in Hong Kong

## Family offices

Jonathon Bond, *Chief Investment Officer, Grosvenor*

Mette Ekeroth, *Chief Legacy Officer, North-East Family Office*

Simon Foster, *CEO, TY Danjuma Family Office*

Bryan Goh, *CEO, Tsao Family Office*

Charlie Goodacre, *Assistant Portfolio Manager, TY Danjuma Family Office*

Sandra Halilovic, *Investment Principal, Ceniarth*

Hywel Phillip, *General Counsel, AT Capital Group*

Manish Tibrewal, *former CEO, Maitri Asset Management*

## Regulators and academics

Dino Tan, *Senior Vice President, Head of Divisions, Family Businesses, Family Capital & Impact, Southeast Asia, Singapore Economic Development Board*

Gillian Tan, *Assistant Managing Director, Development and International Group, Monetary Authority of Singapore*

Kelly Teo, *Deputy Director and Head of the Banking Development Division, Monetary Authority of Singapore*

Andrew White, *Senior Fellow in Management Practice, Saïd Business School, University of Oxford*

# Seven *key* FINDINGS

- 1 As they face the challenges of the new economy, the next generation of ultra-high net worth families are exerting a growing influence on their family offices, especially when it comes to tackling social and environmental issues.
- 2 Family office teams are widening their repertoire of skills to meet changing family needs and provide more extensive services.
- 3 Philanthropy is key to engaging younger family members, providing a natural gateway to enter governance discussions.
- 4 Families are increasingly prioritising ESG and impact investing, rather than exclusively supporting good causes through philanthropy. In so doing, they are upholding traditional family principles while setting a positive example for other families.
- 5 Sustainable investment strategies present long-term practical advantages, with the potential for exceptional returns. Families believe these strategies make commercial sense, expecting the cost of ignoring environmental issues to be higher than the cost of supporting sustainability initiatives.
- 6 The succession taboo needs to be challenged for the good of the family. Putting comprehensive plans in place can be liberating for family heads, allowing them to live more freely and avoid the disruption of a poorly arranged transfer of responsibility.
- 7 Singapore's strong regulatory regime and business-friendly environment make it an attractive family office destination for both Asian and Western families. In the last few years, several hundred new single-family offices have sprung up in the city state.

## SECTION 1.

# A NEW PERSPECTIVE *on governance*

As times change, families change with them. For those with wealth, the last few years – navigating the pandemic, economic volatility and a shift in public perception – have been transformative.

The complexities of the new, post-Covid economy are causing some wealthy families to take a fresh look at their family offices and the governance structures that exist to preserve their wealth for the long term. In turn, the role of the family office is expanding, incorporating greater agility and dynamism than in the past.

Families are looking for professionals who can provide up-to-date guidance on evolving regulation, emerging asset classes and sustainability, alongside their traditional investment and concierge duties. Reputation management has also become critical, especially in a time of widening income inequality and increased sensitivities to public displays of wealth.

In this context, our findings suggest that the voice of the next generation may be growing louder as families navigate the new economy and reset their expectations for the family office.

By ‘next generation’, we refer to individuals who may vary significantly in age – from teenagers who are still working out their place in the family structure, to adults controlling their own, self-generated wealth – but who have not yet or only recently taken a leadership role in their families. Nonetheless, their growing influence is leading to discussions about the extent to which different family members should be involved in day-to-day decision making, and how to tackle questions around succession and the eventual transfer of responsibility.

### Vision and values

Social and environmental issues are increasingly important to family members of all ages, but the next generation consistently cite them as a motivating passion. We see this coming through in the definition of the family charter and values.

Before Frank Tsao passed away, the shipping and real estate entrepreneur’s four adult children came together to develop a charter that would guide their parenting philosophy as well as their investment and business practices.



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the opportunity to step up.  
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about money, the better.”

**Arvind Tiku**

*Founder and Chairman  
AT Capital Group*





"One of the key things was for us to figure out the values that made sense to us," recalls Dr Mary Ann Tsao. "If one of our children was getting married, we wanted to be able to articulate who we were to new family members. Over several years, we drew on our family legacy and heritage and looked at our own experiences to agree on this."

An important element of family values is that they reflect the future, as well as the past. Leena Dandekar, whose Raintree Family Office is based in Pune, India, says her children's views on climate change were front-of-mind during conversations about governance.

"Not enough families do this," she says. "The world changes every five years but, if I had drawn just on my own knowledge, we would have been doing the same thing for another 25 years. My children needed to say what they wanted because our investments might not bear fruit for 10 years. It is all for them."

### A place at the table

Throughout our research, interviewees explained that they were encouraging their children to join governance discussions as early as possible. Arvind Tikur, Founder and Chairman of AT Capital Group, believes that this is vital for their development.

"You should give children the opportunity to step up," he says. "The earlier you talk to them about money, the better. Generally, I think people are pleasantly surprised at the contributions they make. They ask important and specific questions such as, what happens if a beneficiary becomes irresponsible?"

Future generations are more aware than people think."

Family office teams play an enabling role in introducing the family's younger members to their future responsibilities. Jonathon Bond, Chief Investment Officer at Grosvenor, the family office of the Duke of Westminster, explains how "prepping the next gen" is an essential part of his role.

"In previous positions, we ran 'shadow boards', where we gave younger family members the same board-packs as the main board and asked them which decisions they would reach if it were up to them," he says. "This gave them a structured way to think about their possible future involvement. They sometimes came up with better decisions than the main board!"



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**Dr Mary Ann Tsao**  
*Tsao Family Office*

## Resilience and control

It is important for families to consider the degree of involvement that each member should have in investment decisions and day-to-day management.

For Arvind Tiku, resilience can be nurtured by “giving away control” of the final decision to an investment committee. He acknowledges that this view isn’t shared by all founders. “It’s a difficult thing for someone who [has] built a family office to do,” he says. “But you are not actually giving up control; you are making the family office and its investment decisions more robust.”

Mr Tiku says he decided against having a majority of family members on the investment board. “If someone in a future generation becomes passionate about investing in something untried, the board will need to assess it and, if necessary, be able to prevent it,” he says. “You want a sounding board of qualified people telling you where you might be going wrong.”

## Context is key

Elsewhere, family office executives stress that wider family involvement can be beneficial – assuming the decision-making process is clear

– to ensuring no ‘communication gap’ opens up between family and office. There is no one-size-fits-all decision-making framework, however; each approach needs to be assessed in context and in terms of alignment with family priorities.

In Singapore, Dr Mary Ann Tsao says her family rotates the chairmanship of the board – which sets investment and philanthropy policies – among family members. “It’s my turn for the next three years,” she says. “We don’t want to micromanage our team, but we are responsible to the family for ensuring the office is running how we intend it to run.”

Regular interaction with family members can be a distinct advantage, believes Simon Foster, CEO at TY Danjuma Family Office. “We see the family most days,” he says. “I’ve heard people in the family office community say things like, ‘The principal is coming in tomorrow, we have to make sure the office is tidy.’ Well, we’re at the other end of the spectrum. No transaction goes through without family eyes, which is refreshing.”



## The succession taboo

There is one aspect of governance, essential to younger and older generations alike, around which many families still struggle to hold productive, open conversations. "Succession is not an area that we dare touch on," admits a senior member of a wealthy family in Hong Kong. "It is too sensitive."

Interviewees believe that the succession taboo needs to be challenged for the good of the family. Manish Tibrewal, former CEO of Maitri Asset Management, believes the best time to talk about succession is when everything is going well.

"It needs to happen when there is harmony," he says. "If you try to plan succession when there's a rift, you will not arrive at an optimal decision. Even a simple family unit can run into complications."

Indeed, many families find talking about succession to be a liberating experience. "Unless you talk about death, you are not free to live fully," says Leena Dandekar. "My children know what will happen to the house, and who is going to get every piece of art and jewellery that I own. We have a shared folder, everybody knows everything, and I have the freedom to live without worrying."

When there is sensitivity about succession planning, it can be most pronounced in first-generation offices. "Some patriarchs think they're immortal," says Jonathon Bond at Grosvenor. "Sometimes, they do an inadequate job in preparing the next generation for what's going to come their way, which can be destabilising."

If the transfer of responsibility is not properly arranged, the ensuing disruption can play out

over several years. "The first 10 years after the founder has retired or died can be the years of maximum danger, in my opinion, depending on the extent to which he or she had the foresight to bring in the next generation," says Mr Bond.

He does, however, acknowledge that these conversations are not easy to initiate. "It takes a brave family advisor to say, 'We need to talk about what happens when you're no longer on the scene,'" he notes. "That can be a challenging conversation."

## Philanthropy brings the family together

Philanthropy is one subject that has the potential to unite everybody and is often the key to engaging the next generation. It can also ensure shared values are carried through, post succession.

"Philanthropy empowers the young," observes one interviewee. "It gets them involved in decision-making and allows the older generation to assess how the younger generation works together – or, just as importantly, how they don't work together."

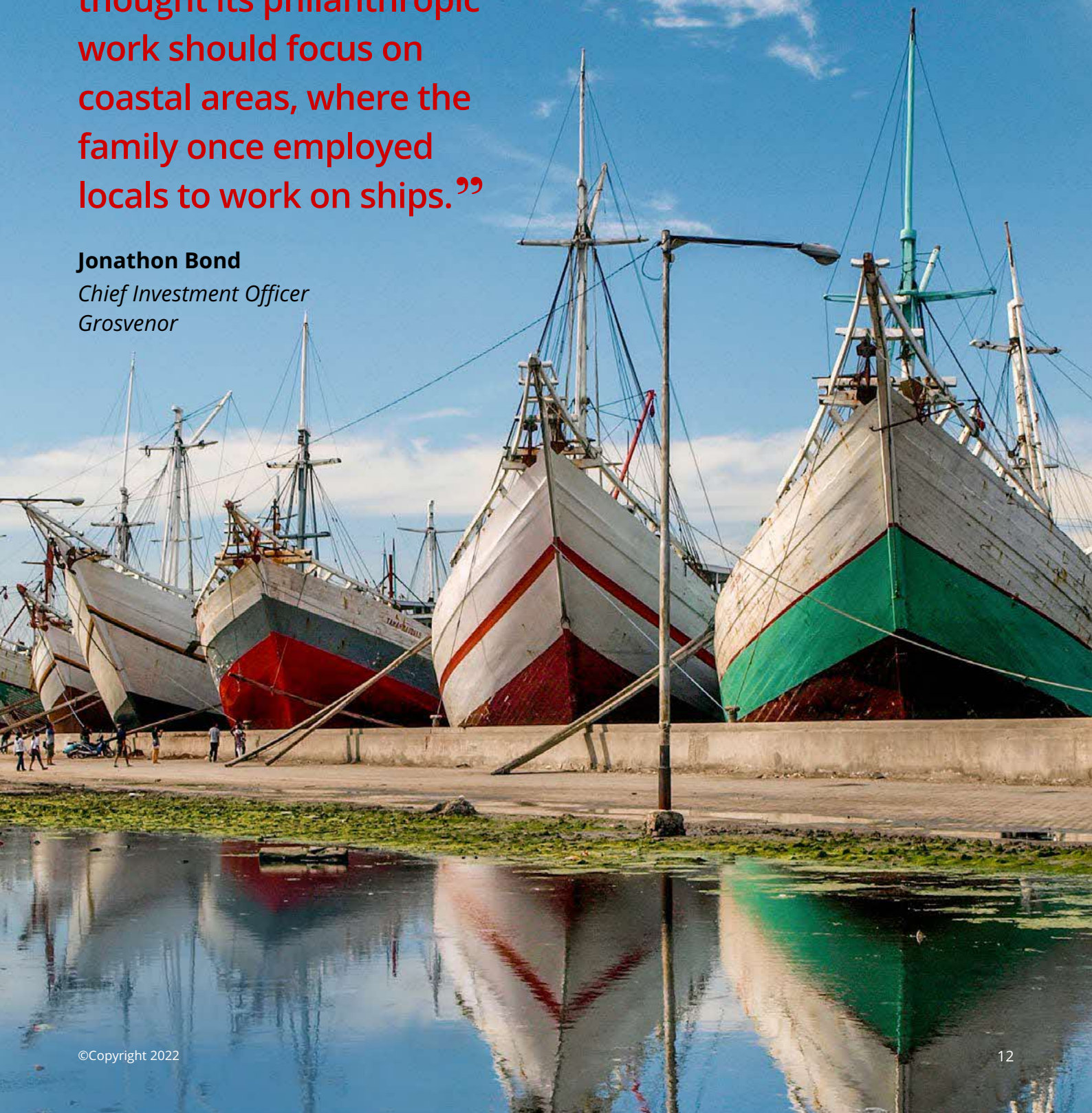
In this respect, philanthropy provides a natural gateway for the next generation to enter family discussions, which, as Jonathon Bond explains, can be inspiring.

"In one family I worked with, which had made its fortune through shipping, the younger generation thought its philanthropic work should focus on coastal areas, where the family once employed locals to work on ships," he recalls. "It was the daughters who pointed out this link with the family's history."



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**Jonathon Bond***Chief Investment Officer  
Grosvenor*

## SECTION 2.

# INVESTING FOR *positive impact*

Giving back to society – often through the philanthropic support of cultural, educational and healthcare programmes – has always been important to wealthy families. Today, many are aligning their goals more closely with their investment activity than in the past.

We hear how families are increasingly prioritising ESG and impact investing, rather than the traditional path of supporting good causes through grants and endowments. There is often a generational aspect to this shift, with younger family members keen to break down the traditional division between investment and philanthropy.

“The older generation might donate to benefit other people, while remaining cut-throat when it comes to investing,” says Manish Tibrewal formerly of Maitri Asset Management. “The younger generation want returns, but also want to know what their money is doing for the environment and society.”

To some extent, the difference in attitude may be explained by the growing availability of relevant investment solutions and the visibility of global challenges like climate change. Even though families report challenges around measuring

impact and knowing when and where to focus, the results speak for themselves.

We use the broad term ‘sustainable investing’ to describe investments that are finance-first, in that they are necessarily self-sustaining, but also prioritise a beneficial outcome or follow principles such as patient or catalytic capital.

### Building on tradition

Family offices have been at the forefront of sustainable investing in recent years. The approach is, for example, at the heart of the organisation that Dr Mary Ann Tsao set up with her siblings.

“Our parents’ philosophy was that we should be able to make it in the world under our own steam,” she recalls. “So, when we created the family office, the four of us were financially stable and agreed very quickly that we should use the family asset for positive change.”

Dr Tsao says her family initially adopted a “do no harm” principle, excluding investments in companies whose operations might damage the environment, for example. They are now dedicating a growing share of their portfolio to strategic, catalytic investments in areas such as human longevity and education.



## GLOSSARY *of key terms*

**Catalytic capital** – investment capital that is more patient, risk-tolerant and flexible than traditional capital.

**CDFIs** – Community Development Financial Institutions are private-sector financial institutions that focus on personal lending and business-development efforts in deprived communities in the US.

**Concessionary investing/capital** – investments that potentially sacrifice some financial returns in order to pioneer new approaches and achieve social benefits.

**Energy access** – initiatives focused on improving household or societal access to sustainable energy sources.

**ESG** – environmental, social and governance criteria are standards by which to evaluate company behaviour, measuring the ethical and sustainability impacts of investments and encouraging businesses to act responsibly.

**Green/social-impact bonds** – securities devoted to financing new and existing environmental or social projects.

**Impact investing** – investment strategy that seeks to achieve beneficial social or environmental goals.

**Paris Agreement** – the Paris Agreement set out a global framework to limit global warming to below 2°C, while pursuing efforts to limit it to a target of 1.5°C.

**Scope 1** – direct greenhouse gas (GHG) emissions that occur from sources controlled or owned by an organisation.

**Scope 2** – indirect GHG emissions from the organisation's energy use.

**Scope 3** – indirect emissions that occur in the organisation's value chain, upstream and downstream.



One explanation for wealthy families' interest in approaches like these is that they reflect traditional family principles. Leena Dandekar explains that she wanted the positive connotations of her family name, which is linked to a popular stationery brand in India, to be upheld through the Raintree Family Office's investment activity.

"Our family business is known for its high integrity and the quality of the product," she says. "We wanted to create a future for ourselves without losing sight of where we came from." Today, the family is heavily involved in conservation work in rural India to support a balanced ecosystem in which humans and nature can thrive together.

In the UK, Jonathon Bond says the Grosvenor family's ambition to achieve net zero emissions across its entire value chain by 2025, including the emissions it does not control (i.e. scopes 1, 2 and 3), is consistent with family tradition and attitudes.

"The family's belief is that it should set an example, addressing today's needs while taking responsibility for those of future generations," he says. "It's no small undertaking, but we are committed to achieving this aim because it reflects the family's philosophy as well as the concerns of the current Duke. Being the stewards of so much high-profile property, they know they have an obligation to encourage others."

## Preparing for the future

The next generation's influence is highly visible when it comes to sustainable investing. Younger family members often insist that the environment should be a top priority for the family office. To this end, a growing number of new investment solutions are becoming available.

"ESG isn't radical enough," says Mette Ekeröth, Chief Legacy Officer at North-East Family Office, which supports different generations of the family that established the Pandora jewellery brand. "The next generation's passion is in thematic investing, innovative instruments like social impact bonds, and high-risk venture capital in social enterprises that have a specific philanthropic objective in mind."

Our research suggests that older family members are largely supportive of the next generation's ambitions. Leena Dandekar says she understands, for example, why her children feel as strongly as they do. "Climate change is a real fear for them," she says. "My son's generation expects to live to ninety-five. He has already seen weather patterns that show you can't take the planet for granted. He would like to plant a billion trees."

Arvind Tikur – a major investor in renewables, including in the Juniper Green solar-energy platform – credits his children with helping him move towards sustainable investing. "My kids are in their twenties, but they don't have driving licences," he says. "There are greener alternatives. It's the future generation that helps move you towards sustainable investing. When they were at school, my children urged me to kick-start the solar-panelisation of the junior sports hall."

Within other families, however, a point of difference between generations is willingness to tackle challenges like climate change and social injustice, where contributions are less visible than donating to a school or art gallery. As one interviewee put it, "It's easier to put the family name on a hospital wing than on clean drinking water in a mountain village in Peru."

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**Leena Dandekar***Raintree Family Office*



## A pragmatic decision

Arguments in favour of sustainable investment strategies highlight their long-term practical advantages. Raj Vaswani, Board and Investment Committee member of the IshK Tolaram Foundation and a member of the Tolaram family, says his family invests in environmental causes, which also makes commercial sense, especially when it comes to backing alternative fuels such as green ammonia.

“The cost of being passive on environmental issues will far exceed the cost of the small steps we take in supporting sustainability,” he says. “On top of the positive social and environment impact, we believe that the potential returns over the long term are exceptional.”

In the US, Liesel Pritzker Simmons, whose family office – Blue Haven Initiative – is dedicated solely to impact investing, believes that sound environmental principles in a business are a sign of competent leadership. “If you ask seriously what your money is doing, you end up at impact investing,” she explains.

Blue Haven’s co-founder, Ian Simmons, adds that their investments in positive causes could ultimately be considered conservative. “We’re mitigating risk by getting more information on investments,” he says.

## More opportunities than time

When there is so much that sustainable investing can achieve, it can be difficult to know where to focus.

To support the ambitions of the Tsao family, Bryan Goh, CEO of the Tsao Family Office, stresses the importance of agreeing upfront on a larger purpose. “Supporting specific goals, which lead to ESG-compliant outcomes, is a better methodology – if nothing else, for the clarity it brings,” he says.

Other families focus on making a difference where others can’t. Ceniarth, the family office founded by Diane Isenberg to focus on impact-first investing in vulnerable communities, looks for impact-aligned initiatives that might struggle to secure capital from other investors.



"In the early days, we dabbled in energy access, but stepped out of the solar home system segment because it was getting significant capital from commercial venture funds and we felt that it wasn't meeting our impact goals," says Sandra Halilovic, Investment Principal.

Ms Halilovic explains that Ceniarth provides concessionary capital, which differs depending on sector and region. "If we're investing in companies benefiting rural smallholder farmers in Africa, our concession is that the business model may be new and therefore we are taking greater risk compared to what a commercial investor would typically accept. For CDFIs in the US, the concession is more on the returns, which are usually low- to mid- single digits but are relatively low risk."

In Denmark, Ditte Lysgaard Vind, an angel investor and expert in the circular economy, focuses on initiatives taking on greater risk than other investors might be comfortable with. "Developing a portfolio that accelerates the transition means asking what would happen if I didn't invest," she says. "If an institutional investor could come in, my additionality as an angel investor would be limited."

## Measuring impact

One of the other core challenges of sustainable investing is in measuring outcomes.

Investors find that assessment frameworks rely heavily on qualitative data and are prey to self-reporting bias. For emissions, the metrics suffer from significant lags.

Some family offices we talked to have developed their own approaches. Ceniarth uses an impact-assessment process, which involves monitoring investees and commissioning surveys to judge the benefit to underserved communities.

"We're on a journey where we are constantly learning about the impact of our investments, but it's hard to consolidate impact data across the entire portfolio in a way that gives us a perfect view," says Ms Halilovic.

Liesel Pritzker Simmons says she is sceptical of "unbelievably complicated impact frameworks". Instead, Blue Haven Initiative focuses on a few key questions: What is the vehicle trying to do? What is the evidence? What are the key milestones?

"We would rather have a candid conversation with the management team than use a box-ticking framework," she says. "Some are full of noise and don't tell you anything. If a framework is just there to show people that we have a 90-page report on a \$10,000 investment, it's not a good allocation of resources."

For the Tsao Family Office, success is ultimately measured against the greater purpose. "We use various industry standards, but this is the beginning and not the end of measurement," confirms Bryan Goh.

## SPOTLIGHT ON *Singapore*

Singapore is growing fast as a location for family offices. In the last few years, several hundred new single-family offices have sprung up in the city state, including those of Sergey Brin<sup>1</sup> and Shu Ping<sup>2</sup>, co-founders of Google and Haidilao, respectively.

The rising number of family offices in Singapore reflects long-term trends in globalisation. As prosperous Asians establish family offices to facilitate intergenerational wealth transfer, Western families are increasingly looking to set up a secondary presence in the region to access new opportunities in private equity, venture capital and direct investments. A recent study by consultancy BCG estimates that cross-border wealth in Singapore could grow by up to 10% between now and 2026<sup>3</sup>.

The Monetary Authority of Singapore (MAS) and the country's Economic Development Board (EDB) have played an instrumental role in this through their joint initiative, the Family Office Development Team (FODT). In recent years, FODT has

focused on three key areas: enhancing the operating environment; developing capabilities among service providers; and building a family-office community through common areas of interest, including ESG, philanthropy and enterprise financing.

In the context of the new economy, geopolitical uncertainty and a thriving technology scene will have contributed to the growing popularity of Singapore.

### Stability amid disruption

From a geopolitical perspective, Singapore is attractive to families from Europe and Asia.

"It's important for Western family offices that Singapore is balanced, geopolitically, between the US and China," says Mette Ekeroth of North-East Family Office.

In this environment, Singapore stands out for its strong regulatory regime, balanced with a business-friendly environment. "People recognise

1. <https://www.bbc.co.uk/news/business-55914177>

2. <https://www.scmp.com/business/article/3065092/haidilao-hotpot-queen-opens-singapore-family-office-manage-us77-billion>

3. <https://www.bcg.com/publications/2022/standing-still-not-an-option>

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Many family offices are keen to use their wealth as a force for good by channelling capital into meaningful endeavours.”

**Gillian Tan**

*Assistant Managing Director  
of the Development and  
International Group, MAS*





that Singapore is a very credible jurisdiction,” says Arvind Tiku, who has been based in the city state for many years. “The regulator also understands that regulation should not stop business but rather create an environment for fair and responsible investing,” he adds.

“Singapore’s strong rule of law, stable and competitive business environment, ease of access to wealth management professionals and professional services, and breadth and depth of investment opportunities in the region are some of the factors that family offices value in deciding to base themselves in Singapore,” says Gillian Tan, Assistant Managing Director of the Development and International Group, MAS.

### **Talent and culture**

In the course of our research, we heard different perspectives on Singapore’s talent base. Interviewees noted that there has traditionally been a shortage of key skills in the city, due to its relatively small size, but also pointed to the success of FODT’s initiatives in this area.

MAS and the Institute of Banking and Finance have produced ‘skills maps’ for executives working for family offices, whether at advisory, entry or managerial level. The two organisations have also launched a series of specific training programmes and established co-funding schemes to offset training fees for accredited courses.

Founded by GIC and Temasek, the Wealth Management Institute (WMI) is a leading centre for wealth and asset management education. As a practice-based institute, WMI connects rigorous academic theory with current industry best practice, to ensure the curriculum provides global perspectives with an Asian focus.

WMI offers more than 100 accredited programmes. Its certificate for Family Office Advisors Programme was designed for practitioners within the industry, to support the needs of the new generation of ultra-high net worth families seeking greater professionalism in the management of their assets and legacies.



## Gateway to innovation

Recognising that digital technology is a major driver of the new economy, family offices are exploring opportunities to invest in the start-ups that will reshape whole industries through the metaverse, AI and web3. Singapore – often called ‘Asia’s Silicon Valley’ – is a good place to put their plans into action.

“Singapore is the leading destination in Southeast Asia for ventures, and enterprises can leverage our vibrant innovation ecosystem to capture growth opportunities in the region and beyond,” explains Dino Tan, Senior Vice President, Head of Divisions, at Singapore Economic Development Board.

Today, there are more than 55,000 start-ups<sup>4</sup> in the city state. Moreover, in the first nine months of 2021, tech start-ups in Singapore raised \$11.2 billion<sup>5</sup>, more than double the \$5.5 billion raised during 2020.

## The importance of attracting value

Gillian Tan of MAS explains the benefits and value that family offices setting up in the city state bring. “Besides the advisors and

investment professionals that family offices employ directly, they also generate indirect employment,” she says. “Additionally, many family offices are keen to use their wealth as a force for good by channelling capital into meaningful endeavours such as sustainable investments, philanthropy and supporting local and regional entrepreneurship.”

Carefully managed economic policy will be vital as Singapore looks to remain attractive while contending with a shifting macroeconomic environment.

“Inflation plagues the world and Singapore is not immune,” says Bryan Goh at Tsao Family Office. “There will be issues specific to Singapore, such as the limited land mass, challenging energy and food security, and navigating a diplomatic course amid global tensions.”

Today, however, Singapore is growing in importance due to its credibility and rule of law, its stability amid geopolitical crisis, and its flourishing start-up culture.

4. <https://www.edb.gov.sg/en/our-industries/innovation.html>

5. <https://www.businesstimes.com.sg/garage/switch-2021/singapore-based-startups-raise-s112b-in-9m-2021-more-than-double-the-whole-of>





“  
We act as an  
incubator for  
next-generation  
businesses.”

**Simon Foster**

CEO

*TY Danjuma Family Office*



**CONCLUSION:****PRIORITIES**  
for tomorrow's  
*family office*

In the new economy, family offices have no choice but to be dynamic. According to one interviewee, the next seven years will be especially challenging. "The last 10 or 20 years have been kind," he notes. "When things got wobbly after the financial crisis, it was relatively easy to cover the basics. We have a tougher time ahead."

On that note of caution, we believe family offices should continue to review and strengthen the support they give to their clients. We conclude with some immediate priorities for them to bear in mind.

**Embrace agility**

Simon Foster of TY Danjuma Family Office is an advocate for changing course in response to evolving external conditions.

"You need to build something swift, nimble and changeable," he says. "Our structure is totally different than it was 12 years ago. In 12 years, it will be different again."

**Enrich the talent base**

Family offices need to help resolve critical intergenerational disputes, while providing



counsel on new areas such as sustainability and technology. New skills will be essential.

"Families need advisors who can cover the gamut of issues, such as training the next gen, philanthropy, tax and outsourced portfolios," says Jonathon Bond at Grosvenor.

### **Educate the next generation**

Working with the next generation often involves helping them see how their ambitions fit within family tradition, especially when it comes to setting up businesses of their own.

"We act as an incubator for next-generation businesses," says Simon Foster. "If a member of the family wants to start a business, we'll help them through due diligence, help them write and present a business plan, and go through a proper credit committee process."

### **Encourage caution online**

Wealthy families today come under extreme scrutiny, especially following negative commentary about economic inequality. As a result, Manish Tibrewal urges family offices to spend more time managing the family's reputation, especially online.

"The younger generations are digital natives," he says. "But they might post something that could be construed unfairly. Family officers need to educate the entire family on how to conduct themselves in digital and physical public spaces."

### **Urge patience in sustainable investing**

Sustainable investors often talk about starting small, then developing a modus operandi through trial and error. Ambition is vital, but no one can change the world overnight.







"You need to be ambitious about where you want to go, but mindful that perfect doesn't get in the way of good," says Ditte Lysgaard Vind. Although investors are unlikely to discover a perfect solution to invest in today, there are initiatives that are bringing that perfect solution closer.

### Help the family refocus its vision

Operating in the new economy presents unfamiliar challenges. To thrive in an environment like this, Andrew White of Saïd Business School encourages leaders to take time out to refocus their strategies. Family offices can facilitate such events.

"My advice is to disconnect from the status quo, such as by going on a retreat together," he says.

"Switching off is about exposing yourself to voices that are less constrained. Where are the green shoots? What is our vision? What impact do we want to have on the world?"

The above suggestions are not intended to be exhaustive. Ultimately, our message to family offices is that they keep an open mind about the future and prepare to respond quickly to emerging opportunities and challenges. For this, the key is to bring the next generation into discussions early and champion ideas that build on the strengths of the past.





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