



Media contact
Marvin Pollack
press@familyoffice.com
312-327-1200

Family Office Exchange Study Finds Security and Integration among the Top Family Office Technology Concerns

Reporting software that integrates financial data across multiple functions remains elusive

CHICAGO, July 30, 2013 – Systems security and finding a software solution that integrates financial data across multiple functions rank as family offices’ top technology concerns, according to new research from the Family Office Exchange (FOX), a global network of wealth owners and their advisors.

The study, titled “2013 FOX Family Office Benchmarking: Technology in the Family Office,” surveyed single- and multi-family offices on their technology practices, including software selection, security, budgeting, staffing and use of cloud computing.

Survey participants named security as one of their top two technology challenges. Their sensitivity to security applies to both the data itself and communication of the data, with most participants (71%) opting to not send financial information to clients’ mobile devices. In spite of these concerns, 56% of respondents expressed confidence in their security practices.

The survey also found that the desire for a reporting solution that aggregates data across such key functions as investments, tax, accounting, and philanthropy remains a key challenge for family offices. Most (88%) still rely on Excel to serve as the bridge between software packages.

“Integration remains the Holy Grail for family offices,” says FOX Senior Consultant Jane Flanagan. “The need for a single software solution that can aggregate data across investments, tax, accounting and the family foundation is a challenge that we’ve heard consistently in our benchmarking over the years.”

“This year’s study marks the emergence of data security as a top technology priority for family offices,” she adds.

Among the other key findings:

- In spite of security concerns, 46% of family offices currently use cloud technology.

- In the wake of Hurricane Sandy, 97% have or are in the midst of developing a process for disaster recovery and/or business continuity.
- Just 21% of family office participants have a dedicated IT professional on staff.
- Technology consumes 5% of the average family office budget.

“Technology in the Family Office” is the second in a series of benchmarking studies that Family Office Exchange is conducting this year. It follows the 2013 Investment Survey released in April. A third study on Family Office Compensation & Benefits is due out in the fall.

About Family Office Exchange

Family Office Exchange supports a global member network of wealthy families and their advisors who are pursuing best practices for optimal management of their families’ wealth and legacy. The community includes more than 450 organizations in 20 countries who utilize FOX’s resources each year for advice, networking, education, and comparative metrics.

FOX is headquartered in Chicago and London, with offices in New York, Boston and Washington DC. For more information about FOX, call 1.312.327.1200 (The Americas) or 44.(0)20.7520.9443 (Europe, Africa, Asia/Pacific) or visit www.familyoffice.com.

#