

## CASE STUDY: FAMILYSIGHT® BRINGS CLARITY TO COMPLEXITY FOR A VIRTUAL FAMILY OFFICE



### OVERVIEW

#### Demonstrating the value of family office technology solutions

An entrepreneur with a successful investment firm and a newly established virtual family office (VFO) needed a more efficient means to manage his growing enterprise. His significant collection of complex assets included hundreds of investments held by numerous advisors and managers.

However, the VFO lacked a technology solution to centralize and manage it all. Enter RSM's proprietary, cloud-based technology platform, FamilySight.

The VFO's assets under management consisted of an eclectic mix of real estate, collectibles, financial intermediaries, automobiles, artwork and alternative investments. Moreover, these assets were dispersed in various locations across the globe and each had its own tracking reports, creating a vast array of complex information to be organized on an ongoing basis.

Further complicating matters was that the VFO managed its assets through an inefficient process of collecting and sharing data via multiple third-party advisors, aggregators, Excel-based tools and a personal assistant. An inadequate technology stack hindered the VFO's ability to gain actionable insights to aid in decision making. Areas of concern included the following:

- **Decentralized bill payment** adversely affected a variety of functions, including automatic processing, monthly reconciliations and reporting.
- **A limited view of investments** resulted in a lack of clarity around investment life cycles, remaining commitments, capital calls, distributions, reconciliations of investments and monthly reporting.
- **Manual processing of Schedule K-1s** was a time-consuming and costly process for third-party advisors, and led to difficulty tracking outstanding K-1s and variances between K-1 ending balances and monthly investor statements.

These combined factors made the VFO an ideal candidate for RSM FamilySight, a resource designed specifically for family offices. The unique platform allowed us to collaborate on building, customizing and scaling a technology solution that could reduce unnecessary burden on the client in numerous ways.

## Pulling global information into one source

FamilySight allowed us to create a dashboard that provides a comprehensive view of critical data and analytics across the enterprise. Instead of the VFO's stakeholders having to manually type in documents through multiple third-party providers, FamilySight centralizes hundreds of documents in one place through data feeds, portal ingestion, artificial intelligence and machine learning.

The final phase involved an exercise in change management to help all of the VFO's stakeholders embrace the transformation.

**300**

Number of VFO's alternative investments and other accounts centralized into FamilySight

**50%**

Efficiencies gained by streamlining data collection, analysis and reporting

**360°**

Visibility into real data for the VFO and its financial institutions, managers and advisors

"When you've done things the same way for a long time, embracing change can be difficult. Our role is to demonstrate the benefits of technology innovation, which in this instance meant freeing our client from the daily minutiae of the business." says Michael Johnson, tax partner, FamilySight technology leader, RSM US LLP.

The savings in time and effort led to value-added opportunities for our client to focus on family office planning and operational excellence. The enhanced data transparency will also support discussions between the VFO and RSM around achieving strategic goals, specifically for family offices. The unique platform allows us to collaborate on building, customizing and scaling a technology solution that could reduce unnecessary burden on the client in numerous ways.

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