

# Guide to HR Challenges faced by Family Offices

June 2017



# Agenda

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- Key HR issues you are likely to face...
- Our view on how you deal with the issues you face
- Looking forward - Post Brexit

# Challenges we find in Family offices

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- **Culture and performance**
  - Lack of career opportunities may drive trusted team members away,
  - Lack of performance driven culture, do you allow your team members coast?
  - Rewarding appropriately?
- **Risk and reputation management**
  - In this increasingly connected world how do you manage data and information getting into the public domain?
  - Is there a difference in perception between 1<sup>st</sup> and 4<sup>th</sup> generation wealth?
  - Dealing with disruptive employees in a UK legal framework?

# Managing the challenges

Some insight from us...



# How we help with challenges in Family offices

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- Lack of **career** opportunities may drive trusted team members away
- Be clear at recruitment about the positives and negatives of working with you.. Namely:
  - Small team, more autonomy
  - Greater role diversity and opportunity to learn
  - However, small team means career opportunities are limited, there is only 1 Chief Investment Officer
  - You can't get lost in a crowd...
- Remember, it is OK to lose good people, it allows you to bring different perspectives and diversity into your office!

# How we help with challenges in Family offices

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- Lack of **performance** driven culture, do you allow your team members coast?
- Set clear standards of behaviour both in terms of **what** is delivered and **how** it is done
  - Job description
  - Person specification
  - Goals and objectives
- Be open about what will happen if performance slips
  - Performance Improvement Plans (PiP)
  - Conduct (disciplinary) and capability procedures
- Follow through consistently!
  - Manager capability and training

# How we help with challenges in Family offices

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- Rewarding appropriately?
  - If you look to attract talent from other sectors, investment banking, major consultancies how do you reward them?
  - The answer is differently!
  - Performance driven incentives may or may not be appropriate?
  - Again be clear with regard to the employment proposition, which might be as simple as... you might not earn as much as you might elsewhere, but you are joining an environment where you are given space to perform and deliver
  - Seek external specialist advice in terms of structure of reward mechanisms (Don't just rely upon NED's)

# How we help with challenges in Family offices

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- Risk and reputation management
  - This is all about being clear with regard to what is and isn't acceptable.
  - You need to decide with family members and principles what data or images can be shared?
  - You need to ensure that you protect yourselves against employees using information and data inappropriately..
  - Work with your advisors to create clear policies and contractual terms to protect yourselves.

# Looking forward



# Post Brexit

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- Nobody knows what the post Brexit employment position will be?



However, we can assume:

- Many existing employment rights won't change overnight (most UK employment law emanates from the UK)
- It is unlikely that existing EEC citizens will be required to return to home EU countries, unless of course the Brexit discussions breakdown between the UK and EU
- But nobody knows yet and therefore it is prudent to start considering solutions to potential HR issues...

# How PlusHR Can Help Your Business

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Established for over a decade and authors of [HR for Small Business for Dummies](#), PlusHR are a team of experienced CIPD qualified Human Resources professionals supporting ambitious SME's and family offices. We offer practical, flexible HR solutions so you can manage your business with confidence. Our clients range from regulated financial services, professional services to property management. This includes international clients, those with existing HR departments as well as high net worth individuals.

## Specialisms

- Experts in UK HR legal compliance projects i.e. HR policies and contracts.
- Full knowledge of UK employment law including setting up new businesses / employees.
- Experience in managing employee challenges from poor performance to termination.
- Understanding of legal requirements for employees, temporary staff and contractors.
- Managing business change through complex restructures to redundancy projects.
- Knowledge of benefit schemes including pension auto-enrollment.
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## Get in Touch

- To find out more or to discuss your HR requirements please call our team on +44 (0)20 3751 4422, email us at [info@plushr.com](mailto:info@plushr.com) or visit [www.plushr.com](http://www.plushr.com)