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Review/Coverage Analysis



Family Office

Multi-Family Office Over Single-Family Office

Here are some points, you can consider while choosing between an MFO vis-à-vis an SFO



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India has 2 % of global millionaires as of 2019, states the latest Credit Suisse report. Total wealth in India increased four-fold between 2000 and 2019, reaching USD 12.6 trillion in 2019. This is expected to touch 16 trillion by 2024 – which is 5 years from now. It is fascinating to see this growth trajectory.

The concepts of Family Offices go hand in hand with the rise of Ultra HNIs and millionaires in the country. And with such estimated growth projected by Credit Suisse Wealth Report 2019, it is a good time for the 200 plus family offices in India. Family offices are being seen as the ideal way to protect and preserve assets for future generations amidst financial uncertainties that plague today's economies.

Modern family offices are made up of two primary types—multi-family office (MFO) and single-family office (SFO). SFOs exist to fulfil a broad range of tasks on behalf of a single-family, while MFOs provide professional services to a group of families or individuals. While many families initially seek to create their own single-family office, the rising popularity of MFO's gives them reason to consider opting for one.

Here the question arises – whether to go for the Single-Family Office (SFO) or the Multi-Family Office (MFO) when Ultra High Net Worth Families are looking to entrust their assets with wealth managers and advisors. One of the fundamental aspects to consider is detailed requirements of the UHNI families considering their history, present lifestyle and expected future, their financial ambitions, risk appetites and allied quantitative analysis.

Multi-Family office gives UHNIs access to experienced professionals with market credentials and overall affordability, while a Single-Family Office (SFO) could be relatively more expensive. This is largely due to the fact that SFOs caters to the monetary needs of one single wealthy family with bespoke services 24/7.

Here are some points, you can consider, while choosing between a MFO vis-à-vis a SFO:

Professional Expertise: While Single-Family Offices provide services based on trust and discretion, Multi-Family Offices bring in professional expertise and specialists which are economically viable. In house specialists in a Multi-Family Office provide the benefit of less dependence on external partners.

Talent pool & efficiency: Fast decision-making and reaction time is crucial within the family office environment. It is, therefore, more important to have specialist in-house expertise (e.g., legal counsel) to facilitate this. Add to this the collective overall experience of the talent pool is much higher in an MFO vs SFO, which is a significant advantage. Families who understand their service needs will find MFO offerings better suited to accommodate, adapt and integrate those needs at both the household and family levels. Due to the larger pool of experience, MFO's are agile, more efficient and offer assurance without compromising on integrity.

Objectivity: Whether SFO or MFO, the office must possess a robust, objective, advisory capability to manage a family's fiduciary oversight. Experienced MFO professionals sharpen their advisory skills by serving a number of families with diverse needs, in an environment unencumbered by "selling a product". SFOs can struggle with resource constraints, limiting insight and ideas. Fee-only, fully independent MFOs are best-suited to help families broaden their thinking while reducing the risk of conflicting interests.

Peer to Peer Connectivity: Multi-Family Offices via their platforms enable UHNIs to connect with peer group and communities which may share common ground. These peer groups may share interests in philanthropy, investments and more and hence this shared experience and collaborations tend to be better in Multi-family office as compared to Single-Family Offices.

Flexibility: Multi-Family Offices offer far greater flexibility in composing the professional team. They can become catalysts for evolving family relationships and can be crucial in liquidity, succession events. Many also recognise that choosing a MFO, whether for the short or long term, provides the best combination of access to experienced professionals, proven processes and overall affordability. These attributes help a family successfully navigate a transition – and beyond.

Setting up a family office is an elaborate affair, since all support activities such as IT and legal need to be procured and run from scratch. In a multi-family office, the firm is able to spread the cost of investments over a larger asset base and achieve higher cost efficiencies. However, a single-family office will require incremental investments in infrastructure and technology systems.

As India's Ultra-High Net Worth Population burgeons, Family Offices – whether it's SFO or MFO, will play an even greater role in preserving, nurturing and enhancing and transitioning wealth across generations.

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Going the extra mile: How family offices offer HNIs impeccable executional capabilities



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Family Office

In the public domain, multi-family offices are strictly viewed as wealth management and advisory firms that are meant for the ultra-rich. However, most multi-family offices go above and beyond just the standard ambit of financial and legal services. And herein lies their appeal; hundreds of HNI and UHNW families all over the world avail of family office services because of their holistic approach to wealth. Family offices work tirelessly to understand the needs of their clients and create a customised set of solutions. Their work ethic hinges on providing an interconnected and multifaceted web of services and support that helps to enrich the lives of their clients.

Apart from wealth creation and concerns surrounding matters of finance, most business-owning families and UHNW individuals have several other lifestyle-related requirements. Multi-family offices understand this because they are helmed by former entrepreneurs or financial executives who've worked closely with HNIs and UHNIs. This is why family offices have a curated network of lifestyle experts who can work with HNIs and UHNIs to simplify their lives. Whether it is helping with travel arrangements or consolidating bank accounts after the death of a loved one, they're equipped to take care of a gamut of requirements that go above and beyond their standard mandate. The following are the areas in which a multi-family office's impeccable executional capabilities come into play.

Customised Value Added Services

Property Management:

While family offices already look at the financial aspect of real estate dealings, they can also help with other aspects such as identifying and vetting new tenants, negotiating for rent, general upkeep and maintenance etc. This ensures that HNIs and UHNIs can free up their time and dedicate their resources towards actual passion projects.

Guidance for Investment in Startups:

According to a report by 256 Network and Praxis Global Alliance India, HNIs are expected to invest \$30 billion in Indian tech startups by 2025. However, investment in startups often requires counsel and knowledge about the startup ecosystem in India. Family offices have at their disposal a whole gamut of former startup professionals who can help HNIs to align their investments with the right kind of entrepreneurial ventures.

Personal Finance and Accounting:

- HNIs and UHNIs have complex financial requirements with multiple moving components such as investments, taxation etc. Family office teams look at their client's investments more holistically, taking into consideration their overall tax and legal situation. The result is a more comprehensive approach that can help with an accurate calculation of tax liability and clients saving on undue taxation.
- Most HNIs have a slew of bank accounts that are sometimes spread across countries. In order to keep track of all of all the payments and documentation attached to these accounts, family offices have dedicated teams of finance professionals who can help HNIs with this.
- International transactions often involve multi-layered procedures that can lead to unnecessary stress for HNIs/UHNIs who might be on tight schedules. Family offices have dedicated support teams to deal with matters concerning international transactions. Right from setting up international accounts for Indian residents to advising and executing foreign remittances under LRS, to ODI advice for Indian companies in compliance with FEMA, family offices cover a vast range of financial requirements.

Lifestyle Support

Travel and Leisure: Travelling is an integral part of any HNI or UHNI's lifestyle. Whether it is a business trip or a family vacation, there is an endless checklist of requirements when it comes to travel. From planning an itinerary to selecting luxury accommodation to ensuring visa documentation, family offices can help with the myriad needs that arise while travelling.

Eldercare support: The need for geriatric care services is often underestimated and overlooked.

However, with a number of HNIs and UHNIs living abroad with aged parents back in their home countries, it is important to have an entity that is willing to put their needs on priority. Whether it is arranging for a home nurse or keeping track of medical documents and digital test reports, a family office can provide customised solutions in this area.

These are just a few of the areas in which family offices flex their impeccable executional capabilities. They deliver this special unsaid support based on a white-glove approach where customisation and personalisation are cornerstone principles. Family offices aim to help their HNI and UHNI clients to achieve success and live the best version of their lives.

The many upsides of associating with a family office



Rajmohan Krishnan

Mr. Rajmohan Krishnan is the principal founder & MD of Entrust Family Office.

The concept of a 'Family Office' has not yet acquired a formal definition. One of the perspectives is to divide it into two broad types. Some families have an investment-centric family office, primarily to make private investments and generate more wealth. This type of family office is the family's asset allocator and manager of internal hedge funds and private equity funds. Other families set up family offices for the purposes of asset protection and provision of welfare and services to family members. These welfare-centric family offices work with professionals to form and maintain trusts, take out insurance, draft and implement family constitutions, support family councils, hold family meetings, handle immigration matters and settle disputes within and outside the family.

Despite this categorization, what binds all family offices is their determination to provide their ultra-high-net-worth clients with a full range of customized boutique services. Whether its investment advisory, real estate management, legal counsel, or concierge services, family office professionals go that extra mile and add a personal touch to help their HNI and UHNI clients. Typically, family offices work with clients who have an asset size of 50 Cr to 100 Cr.

The Family Office Approach: Customise, Curate and Personalise

Partnering with a family office comes with a set of benefits that are uniquely distinct from what any standard wealth management firm would offer.

1) Long-term approach to wealth creation: Family offices eschew a myopic lens when it comes to wealth creation. They operate on radically different timelines when compared to traditional wealth management firms because their goal is to help their clients create long-lasting wealth that can be passed down from one generation to the next. This is why, in addition to basic financial services, family offices often help to mentor the next generation within HNI and UHNI families. They can play the role of facilitators and communicators for their clients and their families when it comes to matters of passing down wealth, succession planning and business control.

2) Personalised Approach to wealth management: While traditional wealth management firms and investment advisors work on a commission basis, family offices strictly veer away from that model. It is the one rule that helps family offices stay aligned to their clients' interests only. Family offices do not gain any sort of revenue from selling financial products such as a particular company's mutual funds to their client's, they are paid by their HNI and UHNI clients only. This approach also helps them to create custom wealth solutions based on their client's vision and passion. Whether it is investing in a luxury spa or an F&B venture, family offices suggest investment plans based on parameters other than ROI because they are looking at it from the perspective of overall utility to their clients. This is how family offices are able to keep their client's best interests at heart at all times.

3) Trust: Family offices tend to develop deep bonds with members of an HNI/UHNI family. This leads to a great deal of trust that eventually facilitates a deeper understanding of a family's vision for their wealth and overall goals. This in turn helps family offices to better align investments and wealth creation solutions to their clients' mission.

4) Crisis wealth management: The Covid-19 pandemic has made it clear that black swan events aren't an anomaly and will continue to be a characteristic part of the global future. Hence, there is a need to be prepared for such possibilities that can derail an HNI's financial goals. Family offices have the advantage of numerous domain experts, right from taxation experts to advisors specialising in domestic and foreign markets, family offices have them all under one roof for the sole purpose of helping their clients through precarious economic climates.

There is no doubt that all UHNIs require high levels of sophistication and financial expertise. However, in order to truly build a long-lasting legacy, HNIs need to be able to rely on trustworthy partners who can assume responsibility for securing and growing their wealth. Family offices aim to do just this. By anticipating the needs of their clients, freeing up their schedules and taking off their shoulders the responsibility of day-to-day wealth management tasks, family offices allow HNIs to realise their dreams.

Through a customised boutique approach, family offices can help HNIs and UHNIs to cultivate their life-long interests and align their wealth to their ultimate vision.

Role of a family office beyond investments

Family offices go above and beyond just managing a UHNI individual or family's investment portfolio; their approach to wealth management has a much more personal and customized touch



BY RAJMOHAN KRISHNAN

2 min read

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Imagine walking into a luxury car showroom and being able to build your own custom-made car from scratch; the choice to literally oversee the design, engineering and modeling of your own luxury vehicle suited to your life, all under one roof. While such a scenario may be nearly impossible in the auto world, in the world of wealth management and finance, it isn't a mirage. Tailor-made solutions to managing your wealth, property, investments, and much more can be made possible with the backing of a Family Office.

The genesis of family offices can be traced back to 19th century America, where wealthy individuals like John D. Rockefeller had dedicated teams of people looking after his fortunes. Family offices have come a long way since then, and modern-day family offices are dynamic entities that serve ultra-high net worth individuals and families in a multitude of ways. Worldwide, it is estimated that there are over 6,000 family offices holding and managing assets worth \$4 trillion.

Family offices are also often thought of as an extension to wealth management, which is not true. Wealth management is just a subset of the family office model of financial management. One of the main areas of service is multi-generational financial planning via several ways such as helping mentor the next generation, creating trusts and wills, succession planning, etc.

An increasing number of UHNIs is becoming aware that philanthropy is an important arm of succession planning and leaving behind a legacy, and often enlist family offices to shape philanthropic ventures that will eventually contribute to building a long-lasting legacy of social capital and monetary wealth.

One rule that sets family offices apart is that they have a no-commission policy. Family offices do not gain any sort of revenue from selling financial products such as a particular company's mutual funds to their clients; they are paid by their UHNI clients only.

Our world today is more volatile and more complex than ever before, and in such a precarious scenario, family offices are in a unique position to help UHNI families and individuals solidify their wealth and legacies.

The author of this article is the Principal Founder and MD of Entrust Family Office

The thoughts and opinions shared here are of the author.

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OPINION

Here's how you can spot a true multi-family office

The family office space is rapidly growing. Hence, it becomes imperative to understand the role of a family office and its functions, in order to differentiate them from traditional wealth managers.

By **RAJMOHAN KRISHNAN**, Feb 12, 2021 | 4 min read



Immao Alamu

The global family office space is a rapidly growing one, the total estimated assets under management of family offices across the world stands at a whopping \$5.9 trillion, and the wealth of the families backing these offices totals to around \$9.4 trillion. With such vast amounts of wealth in play, there is an urgent need to distinguish genuine family offices from the firms that masquerade as family offices but in reality, are just traditional wealth managers. It is important for high-net-worth (HNW) and ultra-high-net-worth (UHNW) families to ask the important question: Are these family office entities who they say they are, or are they just private banks and traditional wealth managers?

The line between a family office and other wealth management firms is a thin one due to little or no clear asset size demarcation. Scores of firms today borrow the title of a family office, but in reality, they do not provide the multifaceted and personalised services that a true family office would offer. Knowing this distinction is crucial for HNW and UHNW families; a genuine family office could mean the difference between financial security or ruin.

Traits of a true multi-family office

Genuine multi-family offices are all about understanding a business-owning family and its needs, and drawing up customised wealth management solutions based on these understandings. Family office managers form deeply personal and long-lasting relationships with HNW and UHNW family members. This helps them understand the structures within a family and the kind of wealth management services they need. Forging these bonds also helps a family office to observe the family dynamics and politics firsthand; this helps to draw up the right kind of succession plans. By gaining as much knowledge as possible about a HNW/UHNW family's values, vision, mission, and objectives, a family office can make customised operational and investment decisions.

True-breed family offices also offer the best-in-class asset managers because they spend a lot of resources on acquiring the right kind of talent from across industries. This talent pool contributes to a genuine family office's wide range of in-house services. From legal counsel to CFO services to overseas education advisers, a true family office can offer a diverse set of services and products under one roof.

In addition to offering personalised services, a true family office is always fiercely client-centric. A family office puts its client's interest before all others; it follows a strict no-commission policy which helps it to have its client's best interests at heart. Traditional investment firms and wealth managers have obligations towards financial service companies whose products they are supposed to sell, while a true-breed family office is only aligned to its client.

Another major area in which an actual family office helps HNW and UHNW families is that of multi-generational financial planning. For many HNW and UHNW families, creating wealth and sustaining it for the younger generation is a daunting and tricky challenge. True family offices can aid UHNW families secure and grow their multi-generational wealth in several ways. They help with the drafting of wills and creations of trusts that will ensure that a family's wealth is handed to the rightful heir, and they can also manage mentoring and counselling the next generation in a family. Private banks and traditional wealth managers are not in a position to offer such services because they haven't cultivated decades-long relationships based on trust and value.

True-breed family offices also offer the best-in-class asset managers because they spend a lot of resources on acquiring the right kind of talent from across industries. This talent pool contributes to a genuine family office's wide range of in-house services. From legal counsel to CFO services to overseas education advisers, a true family office can offer a diverse set of services and products under one roof.

Armed with these client-centric values, true family offices work towards helping UHNW individuals grow their fortune and preserve it for generations to come. And identifying these true-breed family offices is an invaluable step for every UHNW family as it leads to the path of preserving and growing their legacy and wealth.



Views are personal. The author is principal founder and MD, Entrust Family Office.

The Multi-Family Office

A Vehicle of Choice for HNI and UHNI Families and their Businesses

By [Rajmohan Krishnan](#) September 11, 2021

Opinions expressed by Entrepreneur contributors are their own.

Family businesses are made up of complex webs of personal and professional relationships that are precariously entangled. And there comes a time in the life of every family-owned enterprise when the financial needs of individual family members become as important as matters of succession, wealth preservation, business control, and asset division. To manage all these macro and micro issues surrounding HNI & UHNI family businesses, there is the need for a single entity with a comprehensive strategy towards wealth management. This is where the role of a multi-family office (MFO) comes to the fore.



Freepik

Traditionally, Indian family-owned businesses are tight-knit groups that rarely allow external entities to be privy to internal financial decisions. However, things are slowly changing because the younger generation now has increased exposure to the wealth management practices of family offices abroad.

How does a multi-family office help preserve a family-owned business?

On the face of it, a typical multi-family office only takes care of the personal financial affairs of the family/business heads and other members. However, it is this individual management that leads to collective harmony and allows for a family business to thrive. A large number of family-owned businesses meet an early demise due to improper wealth management, lack of succession planning, or generational dispute over property and money. A multi-family office can avert the risk of such a scenario by ensuring that the financial affairs of each family member are kept in order, thereby preserving the family unit as a whole.

Multi-family offices services that can help businesses to thrive in challenging times

- **Integrated wealth management platform:** HNI and UHNI families usually work with multiple advisors such as CAs, wealth managers, tax planners, investment advisors, and many more. However, there is a lack of coordination and communication between all of these individual entities. Thus very often, it falls onto an HNI to coordinate and peer through endless reports from various advisors. A multi-family office takes responsibility for this; they take over the coordination and streamlining of the process, and ensure that all information is consolidated for reporting to the family.
- **Full suite of services under one roof:** Most family offices are founded by former entrepreneurs who have extensive experience in the financial sector. Hence, they create large teams of diverse professionals who are the best in their field. From tax planners and wealth managers to succession planning and legal experts, family offices have them all under one roof. The sharing of best practises across different verticals and clients makes sure that FOs are always on top of their game when it comes to helping HNIs and UHNIs manage their financial affairs.
- **Individual VS family:** This is a salient yet often underrated service that a family office provides. A business family consists of individuals with a diverse set of financial and non-financial needs that may often be at odds with the family. A multi-family office expertly understands these needs and works with the individual family members in a holistic manner to ensure that these needs are being catered to in a harmonious way.
- **Mentoring the next generation:** Preparing the next generation of leaders in a family is tricky territory. From motivating them to take on the family business to helping them manage their wealth wisely, there is a lot that goes into their grooming. Family offices specialize in mentoring the next generation and can help them to learn about their role in the family business.

In the years to come, India's expanding pool of HNIs and UHNIs will fuel the need for comprehensive wealth management entities such as family offices. In a recent joint report released by Praxis Global Alliance India and 256 Network, it is estimated that by 2024, we will have a community of close to 10K UHNIs, this includes business leaders, celebrities, NRIs, and tech entrepreneurs with a cumulative wealth that could reach \$700 Bn. This in itself tells us volumes about the growth of the family office landscape in India.



Investment Advisory

Want to become rich? Check out where ultra rich are parking their money today

One of the approaches that savvy UHNIs take is to try and identify dislocated asset classes, ie., those categories that are out of favour and where price has either fallen or languished for some time.

Written by **Guest**

March 5, 2020 11:33:26 am



Few things pique the curiosity of the common investors as the topic of how – and where – the ultra-high net worth individuals (HNIs) are parking their money today. Across the country, as many as 40-50 per cent of Indian business tycoons continue to invest their wealth in their own business, and this is unlikely to change in the near future. What has changed though is the preference of where UHNIs invest, as they are now opting for financial assets over physical assets.

One of the approaches that savvy UHNIs take is to try and identify dislocated asset classes, ie., those categories that are out of favour and where price has either fallen or languished for some time. One such category at the current times is the small cap space. The category has been affected by regulatory action by SEBI with regard to MF reclassification, the prolonged downturn as also the auditor and rating action in the past 24 months. Prices and valuations are quite attractive now and UHNIs don't mind investing 1-2 years ahead of an economic revival with a long-term view.

A space that has gained increasing attention is the early stage startup investing space. While a lot of the commentary has been around the space getting overheated, we find that the startup ecosystem has significantly evolved over the years. We are seeing young entrepreneurs going beyond marketplaces to solve deep tech problems, manufacturing solutions and host of other innovations that have global application. UHNIs, many of whom are successful entrepreneurs themselves, are probably able to see themselves in these budding entrepreneurs and hence very often the investments go much beyond making returns to actually giving back to society by supporting entrepreneurship.

Investing in global markets is another aspect that has gained importance over the years. The prime driver for this is international diversification which has especially gained attention given the current slowdown in the Indian economy. While global markets are a difficult place to invest in given very low interest rates and high asset prices across the board, UHNIs are making small beginnings with a view to gaining experience in building a robust portfolio over time. Transparent products with high liquidity, transparency and low expenses are an approach many are taking to address this need. Aggressive investors are using their networks to invest into global start-ups and into REITs or similar assets globally.

ETFs are gaining in importance globally and now locally as well. ETFs, Smart ETFs and quant-based funds are fundamentally much cheaper and if used smartly, can deliver good returns and sometimes beat active management. ETFs with quantitative filters and forensic filters ("Smart ETFs/Quant based ETFs") are also gaining adoption. ETFs also are a low cost mechanism of playing sectoral themes. A key risk to bear in mind while investing in ETFs is the liquidity of the underlying, which if ignored could lead to significant losses should a market event occur.

As much as we look at what UHNIs do, it is equally important to keep a watch on what they avoid. As an advisory house, we hold the firm belief that a very large part of successful investing comes from avoiding mistakes. UHNIs have grown to be wary of locked in products, products where the underlying is illiquid and products with high expenses.

So, in conclusion, looking out for dislocated asset classes, investing through ETF's and taking necessary care and advice to avoid the mistakes mentioned above are aspects every investor irrespective of size could build into their investment approach.

Where Do HNIs And Their Family Offices Put Their Hard-Earned Wealth?

The answer to this question is dynamic in nature and constantly changes depending on the global economic outlook.



Photo Credit :



India's economic growth story is still being written and it is obviously characterized by an optimistic and bullish sentiment. An integral part of this growth narrative is the country's sizable HNWI and UHNWI population. According to The Family Wealth Report of 2018, by Campden Research, India has about 150,000 UHNW families with a cumulative net worth of \$2 trillion. With the projected growth rate, this number is expected to rise to 400,000 UHNW families with a net worth of \$5 trillion by 2025. With such vast amounts of wealth being generated, there is an obvious need for professionally handled wealth management services, and this is where family offices are stepping in. Currently, about 49% of UHNWIs have formal family offices and there are more than 100 all over India. However, this space is bound to grow as more and more business families look to personalized and customized wealth management solutions.

Another question that comes to mind when talking about HNWI & UHNWIs and their family offices is where do they put their hard-earned wealth? The answer to this question is dynamic in nature and constantly changes depending on the global economic outlook. And although there are very few specific studies/reports that track where HNWI & UHNWIs and their family offices invest their wealth, it is safe to say that there is an increasing preference for financial assets over physical assets. This shift can be attributed to the convenience of buying and selling financial assets. Financial assets also provide the benefit of liquidity and ease of operation.

The accent is more towards a customized solution that evolves over a period. While standard metrics of risk, return and liquidity serve as broad guideposts, the investment philosophy for each family develops over multiple interactions. Asset allocation frameworks that are built on personal experiences and values are usually robust and stand the test of time while those that retrofit quantitative models without understanding this personal aspect frequently find themselves questioned.

While diversification is an important aspect while choosing an asset class, recent events have shown that correlation across asset classes and across geographies has only increased. So, looking at an asset class from a point of view of what its role would be in the future is as important as extrapolating past trends and data. This again needs in-depth analysis and strength of communication rather than going by the flavor of the season. Family Offices have the power to keep a tab on the underlying fundamental financial aspects rather than just going by intermittent market trends.

Impact investing is a positive trend that is emerging and gaining traction across the world. There is scope for investments to make financial gains while also allocating for social or environmental impact. Again, while nomenclatures like ESG investing have gained trend, there is a tendency for this to be misinterpreted and over-simplified. Real impact investing must gel with an HNI/UHNI's personal interests and values and synchronize with their underlying investment philosophy. With the rapid changes in technology and the evolving nature of the business, there is a great scope for HNWI & UHNWIs to play a significant role in the social sector by way of their investments.

Last but not the least, after having secured these multiple and ever-changing avenues for investments, family offices also look after preserving multi-generational wealth for HNWI and UHNWI families. Multi-generational wealth is hard to sustain, hence family offices work closely with HNI and UHNWIs to help them secure their wealth by offering services such as estate planning, succession planning, drafting of wills, creating trusts, and even mentoring of the next generation in order to secure wealth and preserve it for future generations.

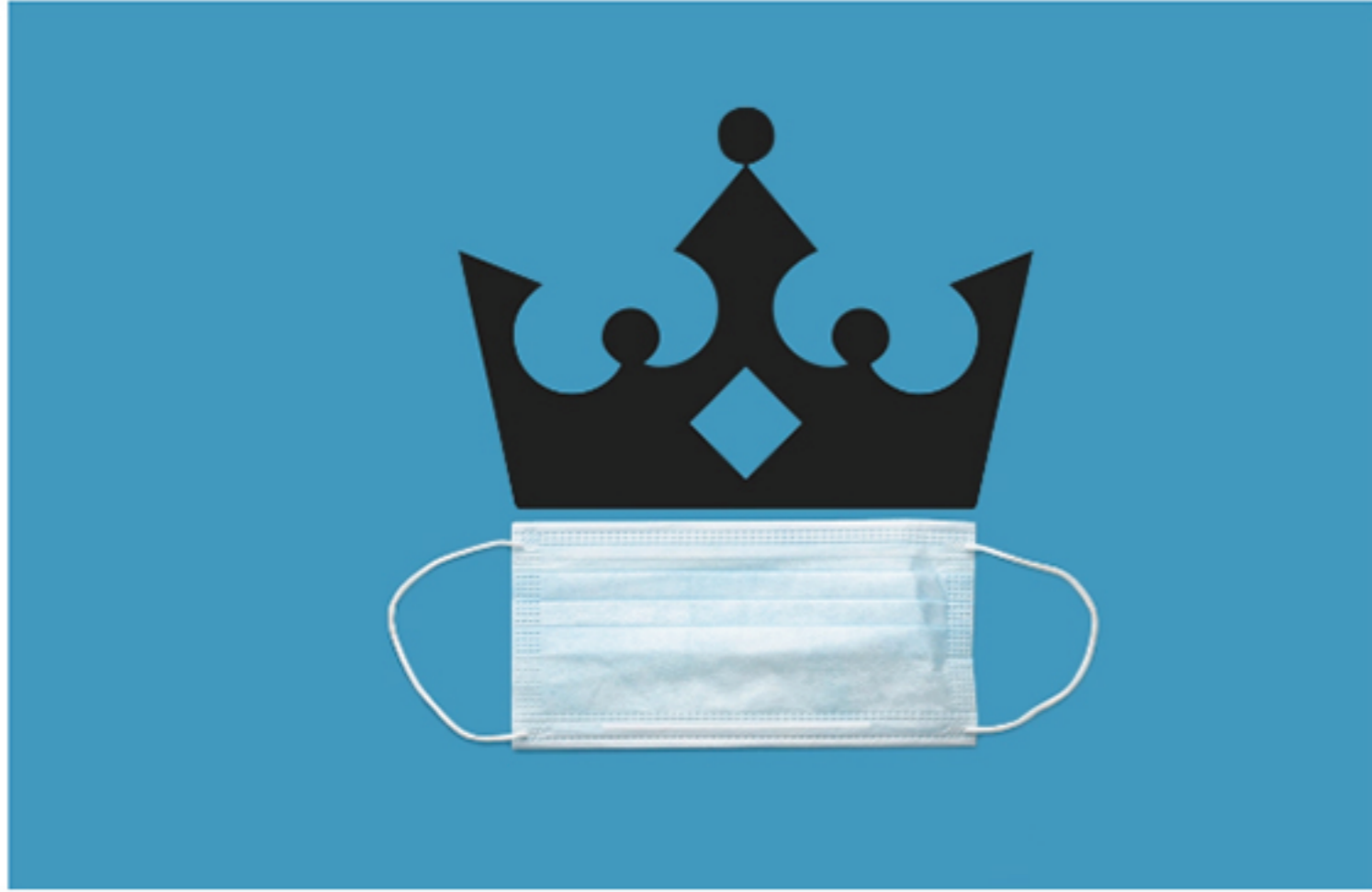
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OPINION

How to keep your wealth safe during pandemic

The Covid-19 pandemic is a black swan event and requires investments to be assessed and amended in order to safeguard them during such turbulent times

By RAJMOHAN KRISHNAN, Oct 6, 2020 | 5 min read



The Covid-19 pandemic has been declared as a black swan event by most economists and finance experts. Typically, a black swan event is one that strikes all of a sudden and leaves a lasting negative impact on the economy that is hard to overcome. India has had an exposure to such irrepressible and volatile situations in 2007-08, when the global economy went spiralling down with the crash of Lehman Brothers. In recent times, demonetisation has also led to a major setback for the Indian economy. But the current mayhem caused by the novel Coronavirus pandemic is unprecedented and its impact is still unfolding. It is now apparent that Covid-19 will leave a far deeper wound on the economy that would take years to heal. According to a recent IMF report, the Indian economy will contract by 4.5% in FY21. The pandemic has struck across industries—manufacturing, real estate, aviation, tourism, and banking. What derailed the economy the most was the lockdown and the mass exodus of migrant workers from cities to villages. While the stock market is slowly stabilising, the signs of true recovery are nowhere in sight.

The lack of a definite timeline has made this situation even more precarious. Such historic events have always caught the world economy off guard as no one could have ever predicted such an outbreak. However, businesses should have the foresight and a plan to withstand such turbulent times. A ‘worst-case scenario plan’ is something that every businessman or high net-worth individual (HNI) should consider to navigate through such catastrophic strikes. This plan should be made after taking into consideration what the business needs in order to stay afloat if the situation continues over a longer period. Cash is king and will always be and, hence, companies should build up reserves so that they can help the business stay afloat in times of crisis. This is also the time to evaluate certain investment assessments and amend them to cushion the downward curve that is usually noticed during such times. It may be worthwhile to measure the risks that investments in certain asset classes bring, and reallocate the investments to those which pose less risk. It is also important to ascertain the short-term and the long-term risks, and take business decisions accordingly.

The one thing that the pandemic has amply highlighted is the uncertainty of life. Keeping this in mind, businesses need to ensure that they have not overlooked this aspect. It has been observed that most businesses put their succession planning on hold during turbulent times and make business continuity a priority over everything else. This could prove to be disastrous for a business as it might land them in a situation where there is no leadership to make critical assessments that decide the future of the business. As a result, businesses are exposed to a much higher risk than before. A succession plan is a must for a business to successfully ride the pandemic wave. It is always important to continue to have strong leadership at the helm of affairs, which can help the business wade through choppy waters.

Another aspect that needs attention during such times is the investment portfolio of businesspeople which is spread across diverse asset classes. With the economy and the markets in free fall, there are chances that millions of dollars of UHNI wealth can get eroded within a few days. It is vital to keep a close eye on market movements and align the portfolio in a way that risk is mitigated and wealth that has been created over a period is preserved. UHNIs have their investments across different asset classes—equities, debt, private equity, seed capital, debt instruments, and real estate to name a few. Some also have a considerable amount of exposure to international markets. The global economic conditions have a direct impact on the performance of each of these asset classes. For example, real estate as an asset class has nosedived since demonetisation, and with the onslaught of the pandemic, it has only got worse. The outlook for this sector does not look positive in the near future. Likewise, SIPs too have not been performing well for the past couple of years, whereas debt instruments have proved their mettle even during times of uncertainty. It is essential to keep an astute eye on these macroeconomic conditions to take appropriate asset allocation decisions. This helps in mitigating risk and ensuring better returns.

The role of a multi-family office (MFOs) has been constantly evolving over the past few years and it has taken on a whole new meaning during these turbulent times. As a trusted adviser and custodian of wealth for UHNIs and business houses, it plays an important role in safeguarding their wealth in good times and bad. It is their job to study the global economic situation, assess the risk, reallocate the assets and ensure that the wealth creation process does not get hampered by any external events that may be within or beyond control.

Today, MFOs offer a multitude of services that are inclusive of, but not limited to investment management, business advisory, CFO services, philanthropy, real estate, and succession planning. Since MFOs handle a very limited number of clients, their services are very personalised. Their buy-side and institutional approach to investing is guided by deep research and this has made them popular with large family businesses.

In today’s complex and uncertain situations, having a good MFO taking care of your family’s fortune has become an important aspect of safeguarding your wealth year after year.



Views are personal. The author is principal founder and managing director of Entrust Family Office, a boutique investment advisory company.

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OUTLOOK MONEY

5 Investing Lessons For HNIs During Tumultuous Times

To build a portfolio that can withstand tumultuous conditions, HNIs and UHNIs can consider emerging markets that present high-quality assets and cash flows, gold and sustainability businesses.



Rajmohan Krishnan  
 UPDATED: 09 MAR 2022 4:46 PM

We are at the cusp of a significant 3-sigma event that has the potential to destabilise markets across the world and which requires us to pay attention and make sure our portfolios are designed to withstand them. Post the Great Financial Crisis, central banks have engineered a record quantum of printed money. From an investment point of view, it has been one of the most challenging two years; along with record initial public offerings (IPOs) in India and the US, frothy public and private markets and other such euphoric trends are being seen across the world. All of this makes prudent investment management and asset allocation more important than ever before, especially for high and ultra-high networth individuals (HNIs and UHNIs) who are looking to solidify and secure their financial legacies.

Below are a few financial considerations for investors to navigate the choppy waters that lie ahead.

1. Build Anti-Fragile: Drawing from author and mathematical statistician Nassim Nicolas Taleb's book 'Antifragile: Things That Gain From Disorder', we have to learn how to become resilient in the face of unsettling events and not shatter under pressure. In the investment context, this would mean choosing assets that are traditionally known to benefit from volatility and can withstand market stress. This leads us to the question as to which assets stand to become stronger and gain from economic turbulence. And one natural answer here seems to be—Gold. Thought of as a classic safe-haven currency and the resolute bet during a crisis, gold is an asset that gains from inflation and in situations where financial markets are in turmoil.

Historically, from a 300-500-year perspective, every time there has been excessive money printing, gold has seen resurgence. Over the past 13-14 years, post the Global Financial Crisis, even as the world grew at an average of 3-5 per cent per annum (a cumulative 50-60 per cent growth), the G4 central bank assets for the same period grew by 5x (500 per cent) of what they were before that. The strongest case for gold, however, is when confidence in fiat currencies is challenged and we believe the aforesaid central bank excess will slowly but surely lead to such a loss of confidence.

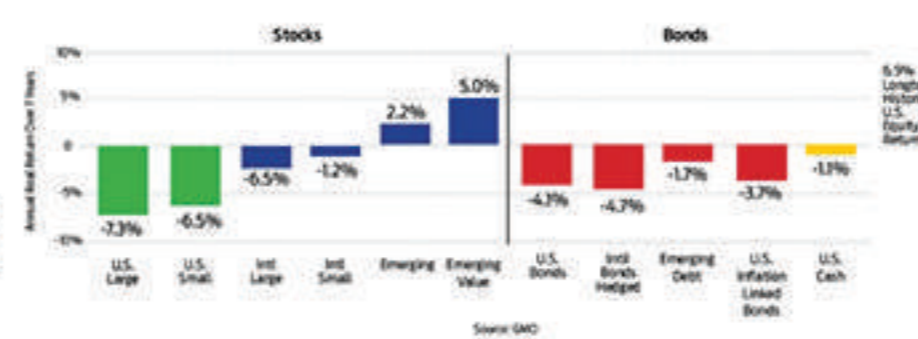
While it may not be the perfect anti-fragile asset, gold and gold mining stocks (considered a more volatile proxy for gold) merit addition to an investment portfolio as they offer sufficient protection. Along with gold, there are other sophisticated tools such as credit long shorts and other non-correlated assets that can come in handy while building an anti-fragile portfolio.



Gold

2. International Diversification: For far too long now, investor behaviour has led investments into markets where past performance is good. The US equity markets have had an exceptional past decade. However, going to where the past has been good may not be the right approach anymore, because many developed economies that have continually outperformed are now home to some of the most broken monetary systems. Meanwhile, emerging economies have become much stronger because their central banks have worked to strengthen resilience to capital outflows after having learnt from their past mistakes. Hence, past underperformance, if evaluated properly, can be taken advantage of. From an investment perspective, such emerging markets present the opportunity of creating international value portfolios through high-quality assets and cash flows that are available at very good prices. These assets appear to be an island of avenues for reasonable returns amidst many international financial assets that offer very poor to negative prospective returns.

7-YEAR ASSET CLASS REAL RETURN FORECASTS*
 As of December 31, 2021



Asset Class Returns

From time to time markets overreact to political or financial uncertainties. The past year has seen this happen with regard to the Chinese financial markets and volatility which is affecting Russian markets currently. These present opportunities for an astute investor to build positions in high-quality businesses. Given recent events in the US, as we write this article, one cannot rule out such opportunities in the US. However, investors must use the dimension of time to patiently build portfolios with assets from different geographies when markets overreact.

3. High Yield: Over the past decade, fixed-income investments have been known to offer notoriously low returns, and this is true for both domestic and international markets. Investors have gravitated to return-free risks as opposed to risk-free returns! Blind search for yield is dangerous and high-yield investing must be done carefully by buying assets where the price-value equation is right with adequate reward for illiquidity. Asset class managers who are focused on specific asset classes of their expertise backed by decades of experience are the best people to approach while looking to build high-yielding portfolios.

4. High Quality: Unfortunately, most high-quality growth businesses are too expensive currently. However, the impending market turmoil could well present yet another opportunity to buy into high-quality businesses—in India and abroad. The most important lesson is that one need not be rooted to one investment philosophy—value or growth—and being nimble and agile can help build a balanced portfolio and move from one segment to another when the time is right. High-quality growth portfolios, when built at the right time and price, can be held on to for decades, but patience and discipline is the key.



Bombay Stock Exchange

5. Sustainability: We are in a real race to save the planet and sustainability is no longer a catchphrase or a trending fad. We have to be able to leverage the power of business and finance to leave a better planet for future generations. From an investment point of view, there are some rewarding possibilities on the horizon. The most potential lies in tech-powered businesses that are focused on projects such as smarter electrical grids, water conservation, sustainable farming techniques and more. The best opportunities are surfacing where there are exceptionally talented people building ingenious products. However, such investments require patient capital and investors have to approach it keeping in mind a seven to 10-year-long timeframe, at the very least. The bottom line is that sustainability merits our attention and it is probably the most important legacy that we will create.

Overall, in a world that is ever-changing and marked by high levels of uncertainty, investors need to embrace prudence, be more agile, and the focus needs to be on creating value by adopting a long-term approach.

The author is Principal Founder and MD, Entrust Family Office.

Investment guide for NRIs and OCIs: How to build a robust portfolio during volatile times

High quality growth portfolios, when built at the right time and price, can be held onto for decades, but patience and discipline are key.

Updated: May 29, 2022 1:47:10 pm



The ongoing correction in markets is indicating that growth assets' valuations are being challenged and may reset at a new lower normals. Representative image

By **Rajagopal Subramanian**

The current market event is already labelled as among the five greatest market declines of all time. We are possibly in the midst of a significant 3-sigma event that has the potential to destabilize markets across the world. To ensure minimum disruptions, we must see that our portfolios are designed to withstand these turbulences. Post the Great Financial Crisis of 2007-08, Central Banks have engineered a record quantum of money printing.

From an investment point of view, it has been one of the most challenging two years; along with record IPOs in India and the US, we've also witnessed frothy public and private markets and other such trends across the world. All of this makes prudent investment management and asset allocation all the more important, especially for HNIs and UHNIs who are looking to solidify and secure their financial legacies.

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Below are a few financial considerations for investors to help navigate the choppy waters that lie ahead.

We have to start by building resilience. Drawing from author and mathematical statistician Nassim Nicolas Taleb's book '*Antifragile: Things That Gain From Disorder*', we have to learn how to become resilient in the face of unsettling events and not shatter under pressure. Choose assets that are traditionally known to benefit from volatility and can withstand market stress. Thought of as a classic safe-haven currency and a resolute bet during a crisis, gold is an asset that gains from inflation and does well in situations where financial markets are in turmoil. Historically, from a 300 to 500-year perspective, gold has made a resurgence every time there has been excessive money printing. Over the past 13-14 years, after the Global Financial Crisis, even as the world economy grew at an average of 3-5 per cent per annum (a cumulative 50-60% growth) — G4 central bank assets for the same period grew by 5X (500%). We continue to believe that the aforesaid Central Bank excess will sooner rather than later lead to a loss of confidence in cost currencies. Along with gold, there are other sophisticated tools, such as credit long shorts and other non-correlated assets that can come in handy while building an anti-fragile portfolio.

For far too long now, investor behaviour has led investments into markets where past performance is good. However, for the past year or so, we have been wary of adding to US equity markets that have had an exceptional past decade. Instead, we have allocated to energy, utilities and other cash flow earning assets that represent high quality hard assets that are indispensable. The ongoing correction in markets is indicating that growth assets' valuations are being challenged and may reset at a new lower normals. Thus, following the past may no longer be the right approach, because many developed economies are now home to some of the most broken monetary systems.

Meanwhile, emerging economies have become stronger because their Central Banks have worked to strengthen resilience to capital outflows after learning from their past mistakes. Hence, past underperformance, if evaluated properly, can be taken advantage of. From an investment perspective, such emerging markets present the opportunity of creating international value portfolios through high-quality assets and cash flows that are available at very good prices.

From time to time markets overreact to political or financial uncertainties. We are seeing this happen in the US as we speak. For those who have been disciplined enough to have remained under allocated to the US and to disrupters in particular, the next couple of years may provide avenues for gradual addition to high quality US tech at a reasonable valuation, but one must tread with care.

We must also be cautious when chasing high yield investments. Over the past decade, fixed-income investments have been known to offer notoriously low returns, and this is true for both domestic and international markets. Investors have gravitated to return-free risks as opposed to risk-free returns! Blind search for yield is dangerous and high yield investing must be done carefully by buying assets where the price-value equation is right with adequate reward for illiquidity. Asset class managers who are focused on specific asset classes of their expertise, backed by decades of experience, are the best people to approach while looking to build high-yielding portfolios.

At the same time, we have to seize the opportunity to invest in high-quality growth businesses. Currently, these continue to be expensive. However, the impending market turmoil could well present yet another opportunity to buy into high-quality businesses—in India and abroad. The most important lesson is that one need not be rooted to one's investment philosophy—value or growth — and being nimble and agile can help build a balanced portfolio, and that it is important to move from one segment to another when the time is right. High quality growth portfolios, when built at the right time and price, can be held onto for decades, but patience and discipline are key.

Finally, we must be conscious of the issue regarding sustainability. It is no longer a catchphrase or a just trending fad. We have to be able to leverage the power of business and finance to leave a better planet for the future generations. From an investment point of view, there are some real rewarding possibilities on the horizon. The biggest potential lies in tech-powered businesses that are focused on projects such as smarter electrical grids, water conservation, sustainable farming techniques, shared mobility, electric vehicles, and much more. The best opportunities are surfacing where there are exceptionally talented people building truly ingenious products. However, such investments require patient capital and investors have to approach it keeping in mind a seven to ten-year-long timeframe, at the very least.

An NRI has a host of investment opportunities in India, like Equity, Mutual Funds, Fixed Deposit, AIFs etc. India follows source based taxation, i.e. any income earned through an investment/asset based in India would be taxed from the investor, irrespective of their residential status. Hence, NRIs would be subject to tax on income earned through investments made in India. However, they can take shelter under the Double Tax Avoidance Agreement (DTAA) between India and his/her country of residence to ensure that the income earned in India is not taxed in both countries.



Succession Planning

It Is Never Too Early For Succession Planning

Succession planning no doubt involves asking and answering some difficult questions; especially for the head of the family or chairperson of the business.

If there is one thing the COVID-19 pandemic has taught us, is that, life, business and all things related are unpredictable. While this might be a temporary situation, it has made people more conscious of their health and wealth, and how they need to safeguard both for a comfortable future. Never before has the importance of succession planning been felt more by businesses, especially family-run businesses. In fact, a lot of business owners are also using this lockdown as an opportunity to prepare a will, or a constitution to bring in a sense of certainty, during these uncertain times.

It has been traditionally assumed that in the case of a family business, the eldest son will take over the reins from his father. However, as the global business environment evolves, with policy changes, and the influx of disruptive technologies, it has become imperative for a succession plan to be drawn out that takes this into consideration. Whether the plan includes transitioning the business within the family or having a professional come on board from outside the family, the earlier there is clarity on these aspects of operations, the better it is for the business to plan for the future.

Succession planning no doubt involves asking and answering some difficult questions; especially for the head of the family or chairperson of the business. One of the most important questions to ask is "when is the right time to step down?" By giving oneself a time frame, the task of passing down knowledge is undoubtedly smoother. Very often, the family has a fair idea of the future they have envisioned for the company, and along with the successor or professional, the two can work in tandem to craft out a final version which is a combined effort of how to take the brand to newer heights.

Going through succession planning can also be an eye-opener. While the family, with their hands-on experience gained over the years is an asset, it is important to complement this with the expertise of a professional. The family may not fully know how to take their business to the next level, which comes to light during succession planning, and is also useful in handing over the business to a worthy successor. Appointing a board comprised of both seasoned family business professionals and external ones is an effective way of separating ownership from management. At this juncture, it is important to engage with trusted advisers and members of the family, for utmost clarity on the way forward, and to ensure goals are mutually agreed upon and achieved.

Furthermore, one of the most important aspects of succession planning involves ensuring financial security for the family. By including personal financial plans as a part of the overarching plan, it will assure the family of their financial stability. In addition, a fool-proof succession plan lays out the groundwork for future generations to abide by the rules governing Rights and Obligations of Individuals/ Employment/ Non-Employed Owners/Women/ Compensation/ Family Fun/Bonding and Performance Evaluation Policies. It also defines the media policies, safety nets, philanthropy, and education and mentoring policies, which are to be followed.

Once the basic understanding of a succession plan is in place, the family can begin to iron out the details. These would include evaluating opportunities to sell/transfer control internally, identifying opportunities for the lowest tax liabilities, as well as funding with insurance. By planning at an early stage, one can also identify roadblocks, and begin work to clear them.

A thoughtful discussion is at the core of succession planning. It is always advisable to do so at a time when everyone is amicable with each other, and not prolong it, till it is too late. The thought of discussing one's demise or exit from a family business is no doubt a difficult conversation to have. That being said, family businesses have a rich history in India, and joint efforts from all fronts to continue to grow the business makes succession planning a very important step towards the future.

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EXPERT OPINION

Why are entrepreneurs planning their succession at an early stage?

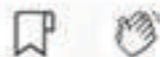
By Sreepriya NS

February 14, 2022, Updated on: Feb 14, 2022, 7:50 PM GMT+5:30



A succession plan entails having a blueprint in the event of a change of guard, which in most cases, is inevitable as entrepreneurs age and eventually have to pass on the mantle to someone else.

40 CLAPS



There is an old and oft-repeated saying about succession planning, which has gained renewed importance over the past two years — “If you fail to plan, you plan to fail.”

The COVID-19 pandemic was a stark reminder of the uncertainty of life and the need to plan for contingencies. In the world of entrepreneurship, the act of succession planning assumes even more significance because tethered to businesses are the lives of real people and their families — one of the main reasons why entrepreneurs globally are beginning to realise the importance of succession planning at an early stage.

What and why of succession planning?

There are many definitions of succession planning. But, in essence, the process helps business leaders answer crucial questions such as what happens to your business after your exit? Is there a plan in place if you are incapacitated due to ill health?

A succession plan entails having a blueprint in the event of a change of guard, which in most cases, is inevitable as entrepreneurs age and eventually have to pass on the mantle to someone else.

Moreover, succession planning assumes even more importance in today’s business environment because of the fundamental change in the way entrepreneurship functions. World over, the vibrant startup ecosystem has given rise to thousands of nascent but fast-growing business ventures. In fact, India has the distinction of harbouring the world’s third-largest startup ecosystem. All of this has translated to a new breed of first-generation entrepreneurs who are extremely young.

For businesses like these, succession planning becomes crucial because a traditional takeover by the next generation is not on the horizon for the next 25-30 years at least. Hence, there has to be a water-tight plan in place — who will succeed a young entrepreneur once they step down (for whatever reason) and carry forward the vision of the business.

A lot of new-age entrepreneurial ventures are funded by a consortium of investors and companies. Hence, whether it is a publicly listed or privately held company, maintaining the trust of the multiple stakeholders who have helped to prop up a business is vital. And succession planning plays an important role in accomplishing this.

It helps to communicate to invested parties that the business has efficient planning for the future, and the departure of key decision-makers, whether expected or unplanned, will not leave a power vacuum or cause upheaval in the company.

Succession Planning - Myths Vs Facts

In the wake of COVID-19 and the uncertainty it presents, it is imperative to revisit succession planning and understand what it entails to sustain and survive large businesses

By Rajmohan Krishnan July 31, 2020

Opinions expressed by Entrepreneur contributors are their own.

Succession planning comprises of the process of identifying and training new leaders who can take the reins of the business in their hands. This helps in ensuring the business is taken over by a well-trained and deserving individual, who can perform the tasks with the same efficacy, with minimum impact on the business operations.



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Several experts have emphasized the importance of this process for the sustained growth and survival of businesses. In the wake of COVID-19 and the uncertainty it presents, it is imperative to revisit succession planning and understand what it entails to sustain and survive large businesses.

According to a report from one of the Big 4's, family-owned businesses in India account for two-thirds of the country's gross domestic product (GDP) and 90 per cent of the gross industrial output. That gives one a sense of just how critical a role these businesses play in the economy. A failure at their end will significantly affect the nation's economic structure. However, it has been observed that many times these large family businesses fail to implement a proper succession planning resulting in family feuds and loss of revenues. This usually happens because there are a lot of misunderstandings around the concept of succession planning which needs to be clarified.

Here are some myths about succession planning that we would like to demystify:

Myth - My family will continue to be integrated even after my death

It is a very staunch belief of most family leaders that things between the generations to follow him will remain the same. However, it should be noted that change is the only constant in everyone's life and dynamics between family members, irrespective of their prior proximity is bound to vary after the demise of the family patriarch.

This does not mean that equations always go haywire but business is all about expecting the probable risks and making contingency plans ready for the same. Hence, during succession planning, this factor needs to be considered.

Myth - Equal distribution of family business wealth is fair

A family business is governed by a constitution that has been mutually agreed on, including clauses regarding the distribution of wealth. For instance, if out of the 4 successors only 2 are involved in the business, an equal division will not be considered right. It will lead to the formation of disintegrated families and can cause discontent. While taking such decisions, individuals should be very wise and avoid making hasty or emotional choices.

Myth - Business being taken over by children will ensure success

The path of success and growth of a business cannot be paved by simply bequeathing the enterprise to one's children. An effective succession plan aims at viewing the strengths and weaknesses of both the individual taking over as well as that of the organisation. Further, it even does a detailed analysis of the goals that the business needs to achieve in the near future. Once an in-depth study of these parameters is done, only then one should decide how and what needs to be passed on to the younger generation. Additionally, it also helps in identifying those areas wherein expert services will be required in the times to come.

Myth - Ownership of succession and management succession is the same

Most businesses are unable to differentiate between these two types of succession methods. It is widely perceived that post the retirement of the patriarch; it becomes the birth right of the son to be the torchbearer of the business. Many times, the person who takes over tends to lack the skills to run the organisation, consequently leading to the degradation of the company. Hence, it is of utmost importance to understand the value of segregating ownership and management.

Myth - A trust is only for the future generations

It is a common misunderstanding that a trust is created to fulfill the needs and demands of the younger generations. It should be noted that these trusts have a much larger purview and entail protection against disability, unforeseen mishaps, and even financial crunch even for the person initiating the same. Further, it is a great support system during unfortunate times such as death. Trust does not have a singular use rather it provides solutions for multiple problems. The COVID-19 pandemic has shown us further that the CEO and key officers are not immune, and companies should adopt a succession plan that accounts for unforeseen emergencies.

Myth - It's a hassle to manage a trust

Several individuals tend to avoid engaging in trust funds, ignoring the myriad benefits it has to offer because they feel it is a herculean task to manage them. However, one can always turn to a corporate trustee, which could be a department of the bank or a company that specialises in handling such matters. By involving such a party, business owners can enjoy the advantages of professional expertise, experience, and increased chances of greater returns from their investments.

Myth - Trustees will misuse the trust funds

Trustees are the custodians of the money invested in the trust funds. To avoid any discrepancies, they are bound to an act/deed which ensures that the reason behind their presence is to work in the best interests of the beneficiaries as well as protect them if and when the need arises. Any violation of terms and mismanagement of funds will make them liable to face the brunt of severe legal actions against them.

To sum up, succession planning is an essential element for the smooth functioning of a business. However, it can do colossal damage if one continues to believe in the conventional myths and does not modify the plans in a business-friendly manner.

Why succession & estate planning becomes important in the age of a pandemic



Rajmohan Krishnan

Mr. Rajmohan Krishnan is the principal founder & MD of Entrust Family Office.

With over 55 million cases across the world, the novel coronavirus pandemic continues to wreak havoc globally. Apart from causing social and political instability, the pandemic has also upended the economic sector and markets across the world are still reeling from the impact of the first wave of cases. Amidst such economic uncertainty and turmoil caused by this global pandemic, there is a pronounced need for HNI and UHNI families to secure their wealth and ensure that there is a certain level of financial preparedness.

Financial security and growth of wealth depends in large part on continuity and stability within a family structure. Armed with its rapid transmission rate, Covid-19 is a constant threat to the lives of key family members and should thus be treated as an imminent risk to stability and financial security. There are several ways in which HNI and UHNI families can secure their hard-earned wealth and shield it from the vagaries of this pandemic; creating a well-defined estate plan can be a starting point. At its core, estate planning is the act of preparing for the transfer of a person's wealth and assets during as well as after his or her death. It includes among various applicable mechanisms, careful drafting of wills or setting up of trusts such as business trusts, private family trusts etc., in order to secure one's wealth and avoid legal squabbles over property and money during and after the death of a family/ business head. Wills are traditionally more sought after as tools of succession and estate planning as they are simple and legally-binding documents that come into play only in the event of demise. However, the chances of a will being contested in court are high and it can drag families into long-drawn legal battles that can be detrimental to familial wealth prospects. Hence, an increasing number of families are looking at Trusts as a mechanism to secure their wealth. A Trust typically involves a tripartite fiduciary relationship and a trust deed gains crucial importance as a legally binding arrangement along with constitution, shareholders agreements, Letter of Wishes that lay down the framework for management, control, and governance of the family business and wealth. Estate and succession planning especially in the modes of Trusts and wills have acquired heightened importance during this pandemic as they secure financial assets and ensure that wealth is passed into the hands of rightful heirs.

In addition to creating trusts and wills, there is also the need to have family governance structures in place to educate and facilitate communication between family members. All too often, multi-generation families have a clash of ideologies and opinions due to the younger generation's vastly different approach to wealth management and business. A family governance structure can help sort out these generational differences and help HNI and UHNI families maintain harmony.

All processes of estate planning involve detailed legal and financial guidance and their creation is a tedious process. For HNI and UHNI families, a well-experienced family office is usually the best fit for estate and succession planning and wealth management guidance. A multifamily office (MFO) armed with years of experience and multiple faculties of counsel—ranging from legal experts, investment advisers and account & tax advisors are in a unique position to help HNI and UHNI families with diverse structures. A typical MFO will have complete suite of services across investment advisory & execution, succession and estate planning, lifestyle and tax service needs of high net worth families. Whether it is the creation and registration of wills or managing and administering assets under a private family trust, a family office can help make sound estate planning decisions that can withstand the onslaught of emergencies like a global pandemic.

The economic shifts caused by the novel coronavirus are still unraveling and the full extent of the damage it has caused to the world economy is still unclear. The pandemic, in no opaque terms, has highlighted the need to plan ahead. Hence, it is imperative to look at succession and estate planning as a critical requirement rather than an elective option only to be activated in times of a crisis.

The importance of forming effective succession plans

Rajmohan Krishnan | Succession Planning | Updated On: May 04, 2021



Business concept. Business people discussing the charts and graphs showing the results of their successful teamwork. Selective focus.

Apart from helping create and carry-on family businesses' legacy, succession plans can provide clarity about the scope of work for the next generation

Family-owned businesses have an indelible presence in India's economic landscape. Scores of Indian family-run companies have been responsible for

shaping the country's growth narrative on the world stage and they continue to thrive even today. In fact, according to a 2018 report by Credit Suisse, the country is home to the third-largest number of family-owned businesses in the world and the total market-capitalisation of Indian family-owned companies stood at \$839 billion.

With such vast amounts of wealth at play, there is always the need to insulate these family enterprises from internal and external threats, volatility, and unforeseen circumstances. And one straight-forward way of doing is by executing an effective succession plan. However, countless surveys and studies indicate that most family-run businesses in India do not prioritise succession planning.

PwC's India Family Business Survey 2019 had stated that only 21 per cent of family businesses in India have a succession plan in place. This is a worrying statistic because succession planning is often put on the backburner for other seemingly urgent goals. In reality however, a well-drawn out succession plan can mean the difference between a company surviving or meeting an early demise.

Long-drawn process

In essence, succession planning entails the steady process of identifying and training potential candidates to fill up key leadership roles in a company in the near future. A well-defined succession policy is critical for a smooth appointment process of the next chairman, MD or CEO of a business. And while succession planning may seem like a mundane process of passing the baton to the next successor, it is in fact a detailed and long-drawn process of steps that need to be followed in case of unforeseen circumstances such as illness, accidents and deaths, or a crisis like this global pandemic.

Indian business-owning families are tightly-knit structures, business control and ownership are usually maintained within the family, and conflict resolution rarely involves a third-party arbitrator. Amidst such a scenario, the possibility of conflicts arising due to difference of opinion between the current generation and the next or miscommunication between family members is quite possible. Such conflicts often escalate to full-blown legal battles where ownership, business control, and family wealth are contested in a court of law.

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In order to avoid such contentious situations, family-owned businesses must look towards succession planning as a necessary process. Succession plans not only act as blueprints for the "what should be done if happens" kind of situations but they also facilitate the smooth transfer of power and control from one set of owners/promoters to the next successor. This ensures that a business's wealth and legacy are protected from intense and unnecessary succession battles.

Mentoring GenNxt

Another crucial aspect of ensuring asset preservation and growth in a family business is mentoring of the next generation of young leaders. Very often promoters feel reluctant to hand over the torch to the younger generation and may continue to retain control over the business well after they retire. Sometimes, the fault can also lie with the next generation of successors who may be reluctant, unprepared or even unable to step into their predecessor's role. All of these issues need to be ironed out with clear communication between members of the family.

A succession plan can provide clarity about the scope of work for the next generation; in essence, it demarcates territories and business roles for each and every member of the family.

When a family runs a business, personal and professional matters are invariably entangled and this leads to high potential for familial discord and friction. Having an effective contingency plan can thus ensure a smooth succession within the family and the business. It can also ensure that creditors don't make unfounded claims on a family's wealth.

To aid HNW and UHNW businesses structure succession plans, highly capable family offices often provide a slew of services ranging from drafting of Wills and trusts to creating family constitutions. With the backing of years of experience and a wide-range of expertise under one roof, family offices are well-versed with the processes of succession planning.

Family offices help business-owning families with the day-to-day running of a business and its management, and look after an efficient asset allocation that ensures wealth is passed down to future generations.



CFO Services

EXPERT OPINION

When to hire a CFO and 4 reasons why startups need them

By Rajmohan Krishnan

May 19, 2020. Updated on: May 21, 2021, 12:02 PM GMT+5:30



As the founder and CEO of a startup, hiring a CFO is one of the wisest decisions you can make. Here is why.

24 CLAPS



As the founder of a startup, some of the pressing day-to-day responsibilities involve building your brand, hiring the right talent, and ensuring the steady flow of business. In the midst of all this, it can be easy to overlook adept handling of finances, and its related operations.

As the startup continues to grow, so will your financial planning requirements; making the need for a seasoned professional to manage your finances inevitable.

Industry experts recommend opting for CFO services when your business hits growth of 20-25 percent compounded annual growth rate. Furthermore, when making the decision to hire a CFO, you need to have the right growth strategy in mind. You need to ask yourself: what is your growth plan, and how important is getting the right financial strategy in place to achieve your goals.

It is also important to address financial planning during the initial days of your operations, which include short terms investment decisions, assistance and evaluation of deal structures, as well as, managing the deal's potential risks and due diligence process.

As a solution, hiring a CFO becomes imperative to handle these aspects of your business. Furthermore, by investing in a CFO, it eases the process of interactions with external investors, bankers, board members, and other stakeholders, owing to their knowledge of the sector.

In addition, by hiring a CFO, it ensures that as the founder, you have the bandwidth to drive innovation and product development, leaving financial matters to the experts.



Here is how a shared CFO can be beneficial to a startup:

Future planning

As a CFO, one of their core areas of expertise is the ability to read and analyse balance sheets and forecast growth trajectory. Using this knowledge, they are best placed to guide you in your investments, due diligence, hiring plans and overall financial management of your organisation. This can greatly aid in helping achieve the goals of the startup, and ensure streamlined functioning and greater growth.

Fund Management

As the founder and CEO of a startup, hiring a CFO to manage long and short term cash flows is one of the wisest decisions you can make. Their knowledge of accounting and book-keeping will be crucial in keeping tabs on expenses, guiding you towards making the right business decisions.

Furthermore, as your business grows from merely monitoring transactions to financial analysis, a CFO is essential to ensure complex transactions are handled correctly.

Why there is a need for a modern CFO amidst the global pandemic?

By Rajmohan Krishnan

August 14, 2020, Updated on: Jul 2, 2021, 4:49 PM GMT+5:30



In the current scenario, a modern CFO has a pivotal role to play. He/she is poised to analyse the situation, endorse changes in business strategies, and ensure unified execution with the help of his peers.

In the last four months, the world has become a far more volatile place than before. Economies have slowed down and businesses across sectors have plummeted.

Governments around the globe are trying ways to manoeuvre the situation and ensure sustainability through these extraordinary circumstances. Companies, too, are in a similar spot and are unwearingly waiting for a revival.

While we are in the unlock phase, there is no timeline to when this economic pandemonium will end. Businesses are persistently looking for robust retrieval strategies to flatten the negative financial curve. Revival and business continuity are vital factors for all business owners.

Financial leaders are resolving immediate concerns and aligning for future opportunities to safeguard the overall financial status and performance of businesses.

In the current scenario, a modern chief financial officer (CFO) has a pivotal role to play. His financial acumen and reflective understanding of the global economic situation brings security and resilience within the organisation. **A modern CFO is poised to analyse the situation, endorse changes in business strategies, and ensure unified execution with the help of his peers.**

Here are some areas that a modern CFO must look into for optimising the resurgence process.

Leading the way

Today, a modern CFO is more versatile than ever. He is the financial strategic arm of the CEO and an effective business partner on board that foresees the big picture to navigate capital allocation and corporate leadership. **He leads with intellectual and emotional agility to instill confidence in the internal and external stakeholders.**

A CFO must be able to decipher comprehensive information promptly with precision. As a leader and partner, CFO's inherent skills influence the overall decision-making forte of the leadership team. With policies moving from a growth mode to survival mode, a CFO is the most liable comrade of the company.

He is a critical part of the team that drives the innovation and survival blueprint for overall business success and subsequent growth.

CFO Services To Boost The Financial Health Of Startups



- Studies show that around 60% of startups run out of money before their product can even launch
- Startup entrepreneurs often get too caught up in focusing on product development and sales numbers and let financial planning slip through the cracks
- Hiring CFO services can bring immense value to a startup and ensure that an entrepreneurial venture has the best chance to succeed

The statistics on the number of startups across the world are overwhelming, according to conservative estimates, there are at least 100 million startups that open up each year. India too has a huge chunk of this pie and if the latest figures are to be believed, the country is home to over 50,000 startups.

With this, India has managed to reinforce its position as the third-largest startup ecosystem in the world. But hiding behind these staggering statistics is the not so glamorous reality of failure; each year, scores of startups meet their demise even before having taken off the ground, and this failure can usually be attributed to poor financial management. Here is where the services of a **chief financial officer (CFO)** can come into play.

It is a common misconception that CFO positions are only confined to large global corporations and enterprises. Having a CFO can be extremely useful for startups to grow their business in a financially sound manner. But startups usually don't have budgets to hire CFOs because the most experienced full-time and in-house CFOs come in with large overhead salary demands.

However, due to recently amended governmental reforms concerning financial firms, startups today have the advantage of outsourcing this role and availing of the full-suite of **CFO services** at an affordable remuneration.

Outsourcing CFO services has a host of benefits; apart from the reduced costs, hiring an experienced CFO who works across multiple industries may lend startups the much-needed advantage of perspective and guidance.

Why Family-Owned Businesses Need Specialized CFO Services

In such strictly hierarchical family units, it is uncommon to see non-family employees in leadership or management roles such as CEO, COO or CFO

By [Rajmohan Krishnan](#) November 26, 2020

Opinions expressed by Entrepreneur contributors are their own.

India ranks third globally in terms of number of family owned businesses after China and the US, and according to [PwC India's Family Business Survey](#), the growth of the country's family owned businesses continue to thrive and perform better than the global average. Most family run businesses in India, whether small or medium-sized, are usually controlled by tightly-knit family structures wherein business control is passed down from one generation to the next.



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Representational

In such strictly hierarchical family units, it is uncommon to see non-family employees in leadership or management roles such as CEO, COO or CFO. This is because as long as family ventures remain profitable, they don't see any visible benefit in getting an outside CFO; many fear a loss of independence and control in making such a move. Additionally, in current times, having a family CFO is a wise decision since the second and third generation may have varied business interests compared with parents, hence, there may be situations where the family business may enter into a joint venture with a new partner, go through a merger, acquisition or a sale. The presence of a CFO in scenarios like these can be a boon to creating a sustainable approach towards family and business legacy.

With the ever-changing business approach of younger generations, there is a growing need for family-owned businesses to open up to the idea of having specialized CFO services on board.

Strategic planning

An air-tight strategic plan is essential for any company, whether small or large, as it can inform a business owner's decision about what to do with their company. A strategic plan that spells out the future and vision of a company has to take into consideration several variables and professional CFOs are wired to do this. A CFO will draw out a strategic business plan by trying to understand the financial needs of a business-owning family and assess the resources that the family has outside the business. A CFO will also assess whether a business-owning family has sufficient assets and cash flows to meet their long-term financial goals.

Succession planning

Scores of family-owned businesses do not prepare for unexpected events such as the demise of a CEO or other company heads. A lack of planning surrounding succession can often put hard-earned family wealth in danger and in worst case scenarios, lead to the demise of a company. A CFO who has years of industry experience in leadership and management roles and is not a part of the family, can often lend an impartial eye to matters of succession and play a crucial role in advising the owner of a company on the need for succession planning.

Strong internal financial processes

Having strong financial processes is necessary for any family-owned enterprise to thrive in a competitive market environment. Whether it is managing cash flow or looking after the company's banking needs and timely bill payments, CFOs can bring in an all-round financial discipline to a family-run enterprise that might often not be in the habit of maintaining formal digital records. Well-trained CFOs can help a business maintain thorough financials and ensure robust MIS—a crucial requirement during auditing and inspection processes.

Tax and compliance regulations

Although tax calculations and filing are the responsibility of an external auditing firm, a company should always maintain their own internal records that are systematically filed, a lot of family-owned businesses might not be able to do this. A qualified CFO can help get on top of all such matters by building a comprehensive internal record-maintenance system. A CFO will also work in collaboration with auditors/chartered accountants to ensure that a family-owned company gets all the right information about meeting tax obligations and other compliance regulations.

Managing external relations

Very often, family-owned businesses can be stretched thin and may not have too many managerial level resources. A CFO can step in here to manage a company's relations with

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Managing external relations

Very often, family-owned businesses can be stretched thin and may not have too many managerial level resources. A CFO can step in here to manage a company's relations with external vendors, bankers, auditors, and other external stakeholders. In addition to this, CFOs, backed with their extensive networks in the financial world, can also help a small-scale family company scout for new investors.

The employment of specialized CFO services for family-owned companies is thus recommended as it can help a company streamline its processes and be risk-aware. Getting a CFO on board is also much easier a process today as outsourcing is a viable option. Outsourcing CFO services can provide a family-owned company with all the benefits of a full-time CFO at a much-reduced cost. Also, an outsourced CFO's knowledge spans across multiple industries and hence, this can be an added advantage for a family-run business whose network might be confined.

Growing trend of family offices in India and the need for family CFO services

there is a growing need for wealthy families to find efficient, effective, and successful ways to invest money and manage their assets. One of the best ways to do this is to partner with a family CFO - who is essentially responsible to help HNI individuals navigate financial complexities when it comes to IT compliance rules, cross-border transactions and much more.

ETCFO • July 12, 2021, 08:03 IST



Today, there are close to 200 family offices in India and according to an Edelweiss Financial Services and Campden Family Connect report—which surveyed 78 wealthy families in India—practically half (49 per cent) rely on family office services. One of the main reasons behind the rise of the family office is due to global trends that are pushing family-run businesses to professionalise the way their assets and wealth is managed.

As of 2019, India was home to 2 per cent of the world's millionaires and the total wealth in the country grew four-fold between 2000 and 2019. Further on, this wealth is expected to touch \$16 trillion by 2024 – which is three years from now.

These are mind-boggling figures, and with such vast amounts of money at play, there is a growing need for wealthy families to find efficient, effective, and successful ways to invest money and manage their assets. One of the best ways to do this is to partner with a family office – a concept introduced by American business tycoon JD Rockefeller in the 1800s.

Family Offices were earlier thought to be characteristic only to the west, however, in the past decade, many wealthy Indian families have begun to avail of its services.

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Wealthy Indian HNI and UHNI families are now turning to family offices to invest their wealth into different asset classes such as real estate, fixed income funds, hedge funds, equities, and private equity.

“ A Family Office acts as a trusted partner to individual families and handles their financial and non-financial needs. Their exclusive suite of services include Investment Advisory, Private Equity, Business Advisory, Family CFO & Bookkeeping, Real Estate, Succession Planning, Social investment and other customised services.

While Family Offices bring a plethora of expertise to the table, one of the most important services is that of a family CFO.

Who is a Family CFO?

When it comes to HNIs and UHNIs, there is a myriad of financial and non-financial needs that arise on a daily basis. Whether it is international transactions or personal wealth management, there is a constant need for financial guidance and help. This is where a family CFO steps in; armed with decades of experience in the world of finance, a family CFO can offer their expertise and services to individuals from HNI/UHNI families. A family CFO is thus essentially responsible to help HNI individuals navigate financial complexities when it comes to IT compliance rules, cross-border transactions and much more.



HNI individuals seek informal financial advice from senior family members and therefore don't deem the onboarding of a family CFO is essential. However, this thinking may be relegated to the older generation, and young members of wealthy business families are inclined to simplify their personal financial matters with the help of a family CFO.

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Very often, HNI individuals seek informal financial advice from senior family members and therefore don't deem the onboarding of a family CFO is essential. However, this thinking may be relegated to the older generation, and young members of wealthy business families are inclined to simplify their personal financial matters with the help of a family CFO.

Here are some of the specific ways in which a Family CFO can help HNI individuals to achieve their financial goals.

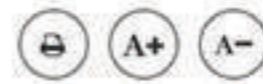
Single point of contact for financial management:

When it comes to managing an HNI individual's finances, there are several entities that are involved. Audit firms, chartered accountants, fund managers, investment advisors, tax advisors, and bankers are all working to manage different aspects of an HNI's finances. However, very often, all these different entities are unable to collaborate with each other and this leads to HNIs invariably having to spend more time coordinating on these multiple fronts. A Family CFO can address this issue by becoming a sort of coordinator-in-chief and making sure that everyone is on the same page.

In-house vs Virtual CFO Services – Which One Best Suits Your Business?

Virtual CFOs are becoming increasingly common due to the expansion of the start-up economy. For a newly minted firm, virtual CFOs can provide the necessary financial guidance with minimised costs, helping start-ups to operate in a lean manner while not compromising on financial compliance.

ETCFO • May 18, 2022, 10:18 IST



BY: Sreedhar KV

The hiring of a Chief Financial Officer (CFO) is a crucial step forward in the journey of any business organisation.

This is because CFOs are a pivotal anchor when it comes

to the strategic financial operations of a company. Depending on what stage of growth they are at, different companies have different needs related to CFOs.

Hence, certain organisations might find that they require a certain type of CFO who is more relevant to their business' size and needs. Today, there are different ways that CFOs engage with businesses; they can either be full-time in-house CFOs or function as virtual CFOs—also known as outsourced or shared CFOs—and companies have to choose who they would like to work with based on their requirements.

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The In-house vs Virtual CFO debate

Traditionally speaking, full-time in-house CFOs have been the norm all along. However, as the startup-up ecosystem continues to grow with near-daily additions of nascent entrepreneurial ventures, not all companies can afford to onboard an exclusive in-house CFO. This is where the role of a virtual CFO comes into play. While in-house CFOs are typically associated with large companies with annual revenues of \$10 million or more, small and medium-sized companies can partner with virtual CFOs who act as a shared resource working for more than one company.

Below are some of the most prominent benefits of having a virtual CFO.

Cost-effectiveness: A virtual CFO is a more cost-effective option when compared to a full-time in-house CFO. This is because while an in-house CFO will be a full-time salaried employee, a virtual CFO's pricing will be based only on the amount of time/deliverables a company needs. Also, since a virtual CFO isn't a full-time employee, companies can save on benefits, paid vacation and bonus costs incurred.

Multiple Industry Experience: Since virtual CFOs aren't engaged with just one company, they bring to the table a wealth of knowledge from different industries. This provides an opportunity for multilayered insights and networks that business leaders might not have otherwise had.

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Best Industry Practices: While most CFOs bring in some of their own preferences or style into how they format documents, files, or reports, a virtual CFO is more likely to have adopted the most widely accepted and standardised practices for generating and formulating client reports and deliverables.

Vast Network: Most CFOs spend decades in the industry before having branched out into becoming virtual CFOs. This means that they come armed with a robust network of key individuals such as financiers, lenders, and other experts that small and medium business owners can leverage.

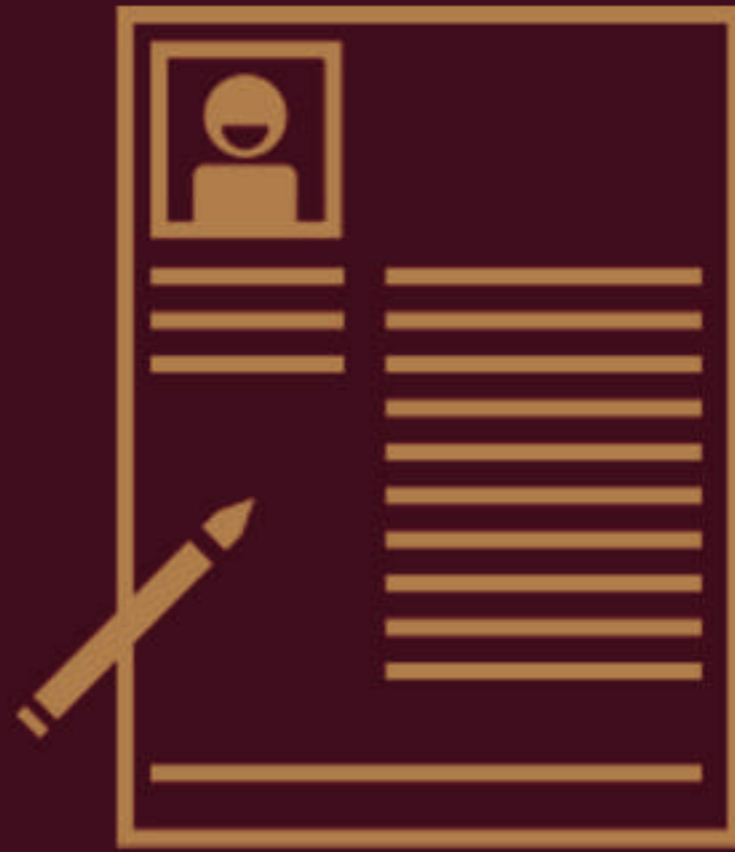
Also, virtual CFOs don't work in isolation, they are usually backed by a team of either family office experts or wealth management professionals. This means that if a company is looking to raise funds or expand into new geographies or products/services, a virtual CFO is well-positioned to help CEOs connect with the right people.

Virtual CFOs are becoming increasingly common due to the expansion of the start-up economy. For a newly minted firm, virtual CFOs can provide the necessary financial guidance with minimised costs, helping start-ups to operate in a lean manner while not compromising on financial compliance.



About the Author: Sreedhar KV, Chief Financial Officer, Entrust Family Office

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Profiling

Entrust Family Office boss learnt the rules of corporate success on the golf course

Synopsis

Truism has also helped Rajmohan Krishnan professionally.



Agencies

Golf has taught Rajmohan Krishnan important lessons.

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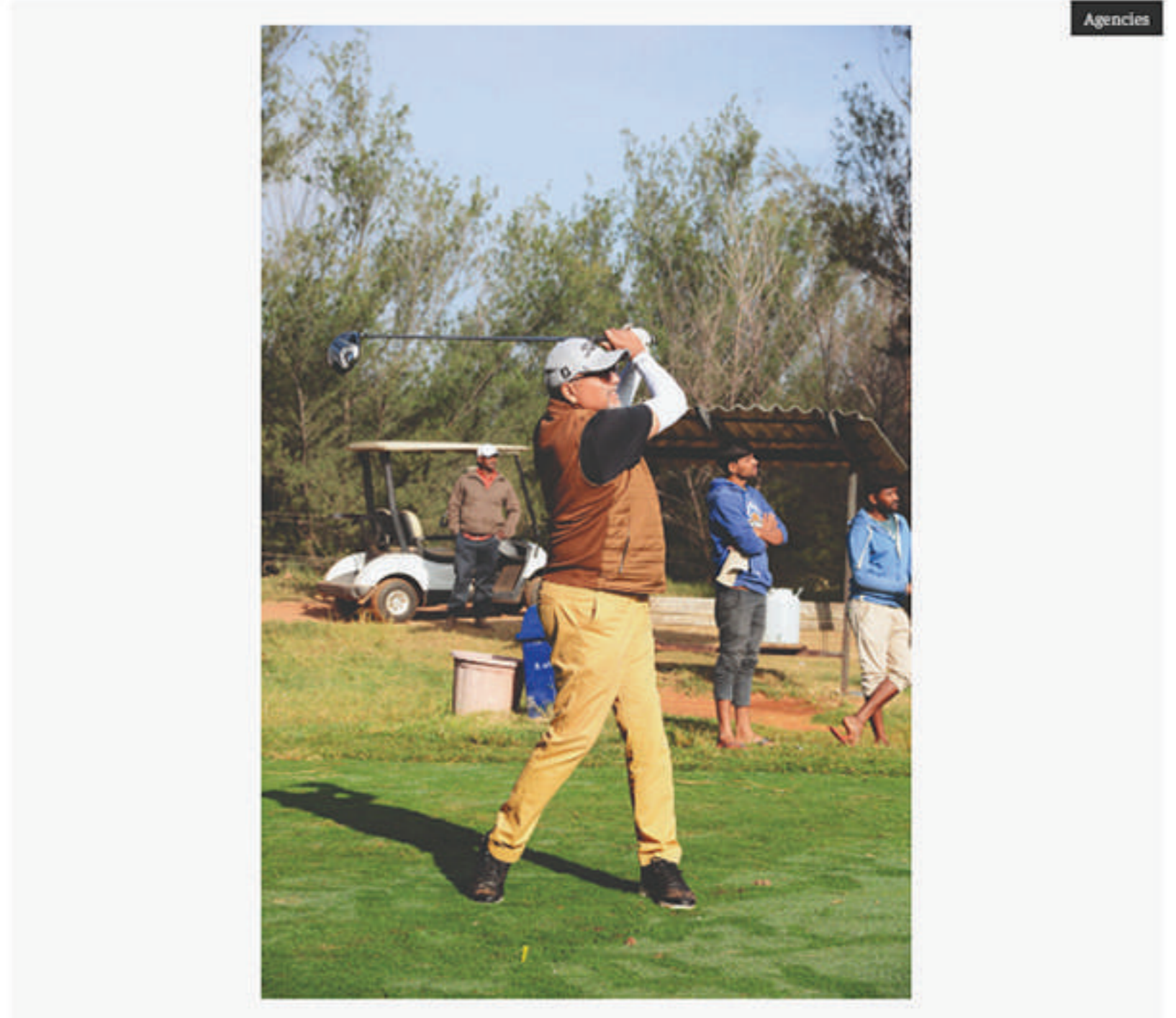
Turkish Airlines top boss enjoys playing golf as it requires him to be calm and composed

Rajmohan Krishnan, MD of the [Entrust Family Office](#), says [golf](#) has taught him important lessons, which have even helped him at the workplace.

"In golf, one can have a great start but end on a bad note. The key, however, is to forget about the bad shot, and focus on the next one. Every shot requires renewed focus. It teaches us that the more we brood over the past, the worse our chance of success in the future," he

says.

It's a truism that has helped him professionally too. "Forget about the past, and the future will be bright. Golf, like the corporate world, is a mix of good and bad," he adds.



Agencies

Rajmohan Krishnan feels every shot requires renewed focus.



The hardest thing to learn, in the boardroom or the golf course, has been to talk less, he says.

"Golf is 20 per cent technique, and 80 per cent humour, tragedy, melodrama, [companionship](#), camaraderie and conversation. In a professional environment, 20 per cent is knowledge of the trade, and 80 per cent is ethics, honesty, integrity, [relationships](#) with peers, and compassion," he explains.

The Melodious Life

Krishnan briefly learned carnatic music, trying his hands at violin, mridangam and carnatic vocal, but couldn't continue as education took precedence over music



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Rajmohan Krishnan, Principal Founder and Managing Director, Entrust Family Office



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Aprajita Sharma

Print Edition: Oct 18, 2020



Music touches everyone's life. But if you are from a family of professionally trained musicians, the relationship with music can be much more serious than that.

Rajmohan Krishnan, Principal Founder and Managing Director, Entrust Family Office, used to attend musical concerts with family. "When music is part of your family's dinner table discussions, you do develop an interest in it."

Krishnan briefly learned carnatic music, trying his hands at violin, mridangam and carnatic vocal, but couldn't continue as education took precedence over music. "Professional training may not have taken off but music was part of my life. I used to meet musicians, trying to understand their lives, developing a bond with them," he says.

His involvement with music led him to launch Ekatvam, an initiative of the Nada Veda Mitram Charitable Trust, which gives budding musicians a platform to perform and get recognised for their work. It also works for the welfare of the elderly. "I established Ekatvam in 2015 in memory of my father, who had died in 2014. Each year, we conduct the Holi Music Festival in which we invite musicians across genres. It is quite popular in Bengaluru."

Krishnan says while growing up, he was touched by the way music was never sold or performed to make money. "It was a medium to reach the masses, to give back to the society." With Ekatvam, Krishnan is doing his bit for both musicians and the elderly.



THE PERFECT SWING

Rajmohan Krishnan, Principal Founder & Managing Director, Entrust Family Office not only manages some of the Top Hundred Wealthy Indian families which sums up to be AUM worth 10,000 cr, he is also an avid golfer. In a freewheeling chat with Entrepreneur, Raj shares how he perfects the punch shot into the fairway every time.

By Punika Sahasrwal

When was the time you got introduced to golf?
I was introduced to the game of golf in the year 2005.

How has playing golf helped in your business acumen?
It has helped to keep me calm and ideate in solitude. I learned not to brood over failures, as golf is a game wherein you may have a lousy hole, but unless you put that behind, the day will be ruined with negative thoughts. So, I believe that obsessing over

what went wrong only curtails my ability to focus on the present. The key is to forget about the past, concentrate on the present, and focus on the future. This line of thinking will bring about good results.

I also leverage the game to network with UHNIs and professionals from whom I have an opportunity to learn. Further, Golf is a sport where one needs practice, practice, and more practice. One may not become

perfect instantly, but consistent practice will lead one closer to perfection.

Are there any lessons from golf one can apply to entrepreneurship?
When you are on the course, you are all alone. You determine your destiny. If you stay focused and concentrate well, you may have a good game, likewise, in entrepreneurship, one needs to focus and concentrate all the time, this determines our destination and

helps us achieve our goals.

Most memorable golf match
The invitational charity tournament I played in Clover Greens long back was the most memorable one. It was interesting because I was playing with total strangers but it was a fun experience with a lot of learnings. It was also the first time I was playing on that course and it turned out to be an exceptional experience. It is like you are entering a new market in business;

there could be a lot of new lessons as everything will be new.

Workout routine
I do Pranayama and Yoga, and I also walk as a part of my daily exercise routine.

Books you are reading currently
Death - An Inside Story by Sadhguru.

Favourite Music
I listen to Indian classical music and film songs that have good melodies.

58 | ENTREPRENEUR | OCTOBER 2020

VOLUME 09, NO. 10, October 2020 issue, and it contains 60 pages including cover.

Rules for corporate success, learnt on the golf course

maleeva.rebello@timesgroup.com

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—APRAJITA SHARMA

