

# Family Offices Are Booming—But Do They Actually Work?

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Research still can't clearly explain when they deliver real value. A review shows what we know, what we don't, and how families can close the needs-to-services gap.

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Family offices are experiencing unprecedented growth, with an estimated 17,000 worldwide and nearly 10,000 established in just the last fifteen years (EY, 2022). Yet despite this rapid expansion, academic research has struggled to keep pace with practice.

Family offices (FOs) serve multiple functions, but their ultimate purpose is straightforward: help entrepreneurial families protect, grow, and successfully transfer their wealth (financial wealth, socioemotional wealth, as well as human capital) across generations. Yet despite their rapid rise and the enormous amount of wealth expected to change hands globally (an estimated \$84 trillion by 2045) (Cerulli Associates, 2022), we still know surprisingly little about whether FOs truly fulfil this mission and what makes them effective partners in transgenerational success.

Our recent systematic literature review (Hayoz, Ge & De Massis, 2025) is the most complete synthesis to date of what research — both academic and practitioner-driven — actually tells us about FOs. We present an overview of our findings here, and offer a downloadable Family

Office Health Check that families can use to assess their own situations.

## What We Studied

Covering the period from 1979 to 2023, our review uncovers how thinking around family offices has evolved and where important blind spots remain. We found that while the field started small - just 4 studies over 21 years, and initially dominated by practitioners (76%) - it now sees equal participation from academics and industry experts. Research remains geographically narrow, concentrated in the US and Europe, while ignoring explosive growth in the Asia-Pacific and Middle East regions. We're also missing longitudinal studies that track how family needs evolve over time.

## What We Found

Researchers seemed interested mostly in two different models: the single-family offices (SFOs), which support the maintenance of close family relationships, and multi-family offices (MFOs), which are larger and more institutionalized.

The research focused mainly on these three themes:

- *Need origination — why families create FOs.* Motivations have expanded from basic financial/administrative needs to a more nuanced understanding of legacy, transgenerational intent, family cohesion, entrepreneurial renewal, socioemotional wealth, and family heterogeneity. Increasingly, scholars recognise that FOs exist to serve the family, not the other way around.
- *Need fulfilment — how the different FO types respond to family needs.* Research maps the

different FO types (including SFOs, MFOs, virtual FOs) and the different functions they offer (investment management, governance, education, philanthropy, entrepreneurship support). Types differ widely in purpose, staffing, governance, professionalism, and organisational DNA.

- *The external environment — factors FOs must navigate.* Regulations, technology, and digitalization, investment ecosystems, talent availability, culture, and shifting societal expectations all shape how FOs evolve and operate.

Current research heavily emphasizes need fulfilment (FO services) over need origination (family needs), creating a critical imbalance. The disconnect between family expectations and FO delivery remains underexplored.

## A Growing Interest in Transgenerational Wealth Transfer

In recent years, scholars have increasingly explored how FOs support orderly, conflict-reducing, and value-enhancing wealth transitions across generations. This reflects a broader shift: from describing what FOs do to understanding how and why they work (or fail to work) for different families.

However, one persistent gap remains: the disconnect between family needs and FO responses. We still lack solid evidence on whether FOs effectively meet the needs they are designed for, and under what conditions.

## Takeaways for Researchers

Our review highlights four areas where clarity is still missing:

- How do families actually decide what type of FO they need?
- How does family involvement (ownership, governance, presence of next generation, etc.) shape the functioning of SFOs?
- How does heterogeneity within families translate into different FO models?
- How do FO types interact to influence whether and how family needs are met?

## A Standard Definition

We suggest that future researchers use our definition of

family office, grounded in both practitioner and academic insights: *“A family office is a structure used by a family to achieve its ultimate wealth and entrepreneurial objectives— its purpose – in alignment with the family’s needs and expectations, considering the external environment, contributing to maintaining family unity, inspiring next generations, facilitating the orderly transgenerational transfer of wealth, and ensuring continuity.”*

This definition puts the family’s evolving needs at the center of FO establishment considerations, serving their deeper purpose of preserving family unity and facilitating wealth transfer across generations. Our definition proposes a path forward, which bridges the gap between family expectations and family office delivery.

## Where to Dig In

We encourage scholars to shift attention:

- Back to the family: its complexity, heterogeneity, evolving needs, and next-gen expectations.
- Towards FO effectiveness: how and whether FOs actually meet the needs they were created for.
- Towards the changing environment: including new wealth models, governance innovations, and global regulatory trends.
- Towards new research designs: especially practitioner collaboration, geographic diversification, theory-building, and longitudinal studies.

## Takeaways for Family Businesses

Families and family offices should begin by clarifying the *real* needs that motivate the creation or evolution of the FO — not only investment needs, but also family cohesion, governance, education, succession, and entrepreneurial renewal. They should regularly review whether the FO’s structure, staffing, and services truly match these needs, especially as the family grows more complex across generations. Establishing clear decision-making processes, involving the next generation early, and periodically resetting the FO’s “purpose statement” can greatly increase alignment. Finally, families should track a few simple indicators of FO effectiveness (e.g., clarity of roles, satisfaction of family members, preparedness of next gens, quality of decision making) to ensure the FO remains a dynamic, value-adding

partner rather than a static administrative unit.

## A Tool You Can Use Now

The *Family Office Health Check*, which can be downloaded above, is a tool that we have developed to help entrepreneurial families, next-generation members, and FO leaders and professionals assess where they stand today quickly. It can be used to:

- Clarify alignment between family needs and FO structure;
- Gauge governance quality and decision-making clarity;
- Evaluate next-gen involvement and learning pathways;
- Assess the FO's adaptability and long-term effectiveness;
- Identify priority areas for improvement in the next 6–12 months.
- It's a fast, structured way to start the right conversations — and ensure your family office remains a source of unity, continuity, and long-term value.

## Explore the Research

[Research on family offices: What is the way forward? A systematic literature review.](https://www.sciencedirect.com/science/article/pii/S1877858525000117?via%3Dihub)  
(<https://www.sciencedirect.com/science/article/pii/S1877858525000117?via%3Dihub>) *Journal of Family Business Strategy*, 16(3), 10067