

# 2024 FAMILY GOVERNANCE AND COMPENSATION REPORT

Survey of Ultra-High Net Worth Families, Family Offices,  
and Family Investment Firms

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*Executive Summary*

April 2024 Release – Prepared by Boff Consulting

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# INTRODUCTION

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This **EXECUTIVE SUMMARY** provides key trends and highlights from Botoff Consulting's *2024 Family Governance and Compensation Report*.

The governance structures that families use for oversight of the family and decision-making have a consequential impact on the preservation and unity within the family. We are proud to be able to support the diverse, discrete, customized needs of our family/family office clients, leveraging our industry-leading proprietary data, understanding and capturing market trends, and incorporating best practices.

The survey was launched on September 7, 2023, with data collected through January 1, 2024.

Participation was by invitation only. Botoff Consulting collected and analyzed the data, which is presented and reported only in aggregate form.

## TO RECEIVE THE FULL REPORT:

- Only participants receive a complimentary copy of the full report.
- For non-participants, please visit [botoffconsulting.com/purchase-survey-reports](https://botoffconsulting.com/purchase-survey-reports) to purchase a copy for \$500 for family offices and \$1,500 for advisors.

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## COLLABORATORS

**Dennis T. Jaffe, Ph.D.,**  
*Family Governance Advisor, Senior  
Research Fellow - BanyanGlobal*

For over 40 years, Dr. Dennis Jaffe has been one of the leading architects of the field of family enterprise consulting. As both an organizational consultant and clinical psychologist, he helps multi-generational families develop governance practices that build the capability of next-generation leadership and ensure the ongoing capability of financial organizations and family offices to serve their family clients.

**R. Scott Beach, Day Pitney LLP**

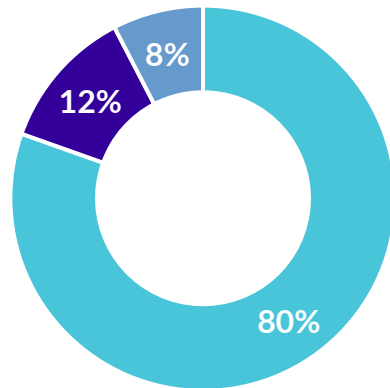
Scott Beach is chair of the Corporate and Business Law department and chair of the Family Office Practice group. Scott represents private equity investors and emerging growth companies in formation, debt and equity financings, mergers and acquisitions, strategic joint ventures, technology arrangements, and general corporate matters. He routinely advises clients in structuring, forming, and operating private investment funds, family offices, partnerships, and joint ventures.

SURVEY HIGHLIGHTS  
**PROFILE OF PARTICIPANTS**



This survey report includes responses from **185 families/family offices in 21 countries**, broken down into regions as follows:

- U.S./Americas
- EMEA
  - Europe and the UK
  - Middle East and Africa
- Asia Pacific



- Americas\*
- EMEA
- Asia Pacific

*\*predominantly U.S. data, but includes Canada, Mexico, Central America, and South America; reported data for all countries was similar*

**This Executive Summary presents data for ALL participants, regardless of geography; detailed data, presented by region, is available in the full report.**

Half of all participants report AUM ≥\$1 Billion; half, less than \$1 Billion:

**ALL RESPONDENTS**

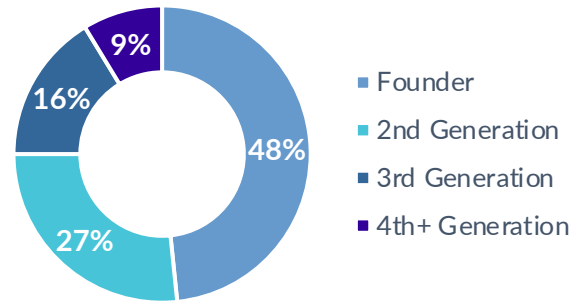
AUM	All
\$2.5 Billion or More	23%
\$1 - \$2.4 Billion	26%
\$500 - \$999 Million	13%
\$250 - \$499 Million	21%
Less than \$250 Million	17%



### LEADING GENERATION

Half of participants report that family offices are led by the founding generation. Approximately one-quarter report that family offices are led by the second generation.

*There are geographical differences in results, which are included in the full report.*



**Given that governance in founder led firms is generally simpler, data, where possible, has been analyzed and presented by founder led vs. non-founder led.**

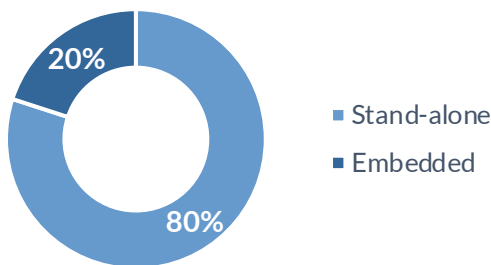
### FIRM STRUCTURES

85% of participants report that family offices are stand-alone entities and 15% report that they operate as part of or are embedded within a family operating company.

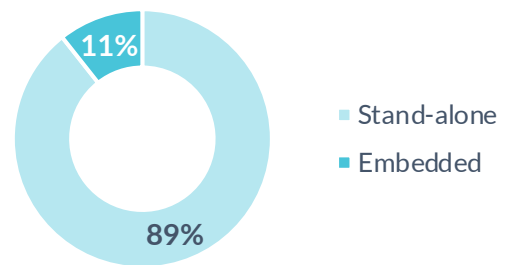
Firm Structure	All
Stand-alone	85%
Embedded	15%

**Founder led firms are slightly more likely to be embedded** within a family operating company, with 20% vs. 11% for non-founder led firms.

**FOUNDER LED**



**NON-FOUNDER LED**



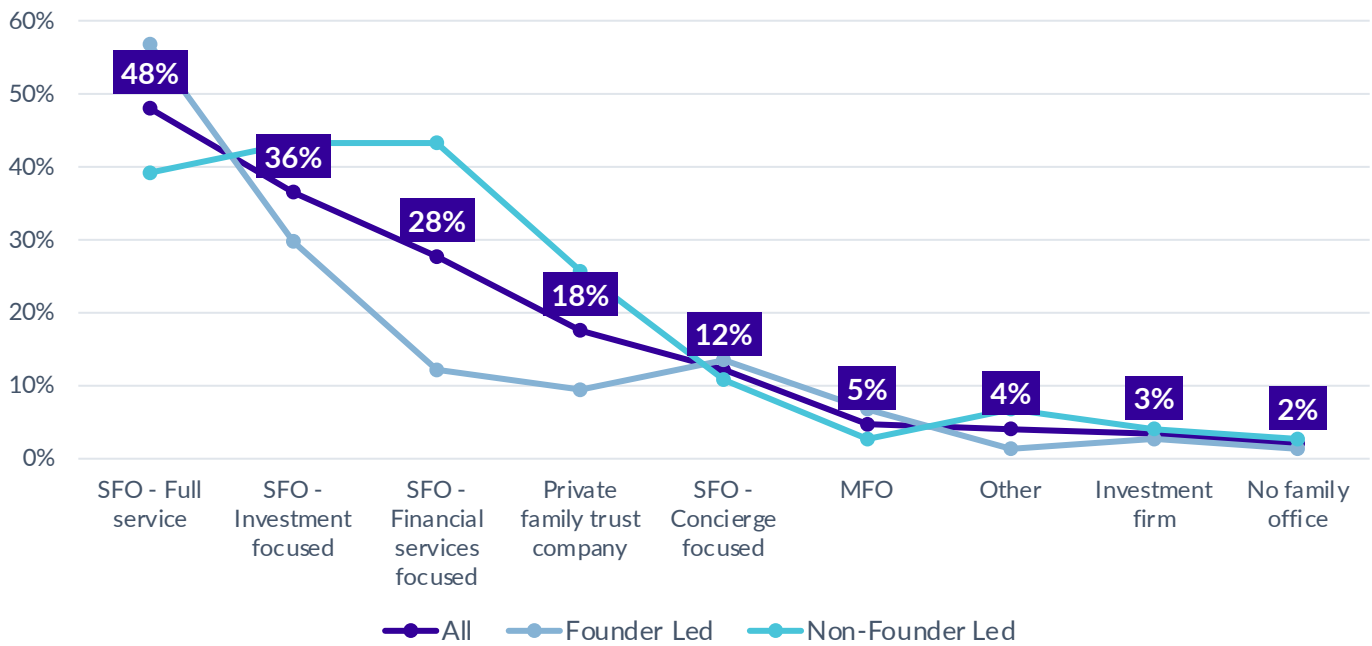
# SURVEY HIGHLIGHTS

## FIRM TYPE OVERVIEW



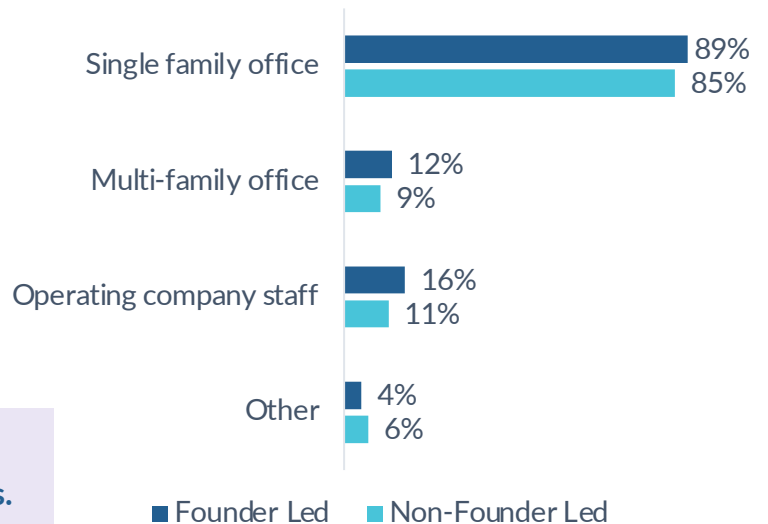
**Full-service single family offices (SFOs) are the most common type of family office reported by participants**, followed by investment focused SFOs. There are geographical differences in results, which are included in the full report.

Specifically for non-founder led firms, investment focused SFOs and financial services focused SFOs are the most common types of firm.



## FAMILY SERVICES AND SUPPORT

Provide Services	All
Single family office	87%
Multi-family office	11%
Operating company staff	14%
Other	5%

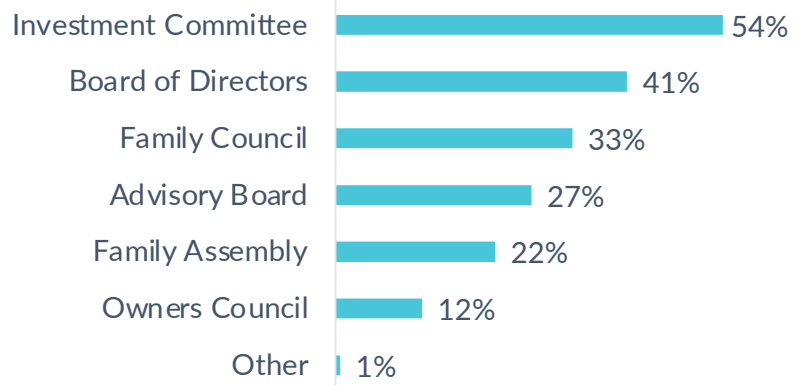


**Very little discrepancy was found between founder led firms and non-founder led firms.**

# PREVALENCE OF GOVERNANCE STRUCTURES



The **most prevalent form** of governance structure reported is an **Investment Committee** (54%), followed by a **Board of Directors** (41%) and a **Family Council** (33%).

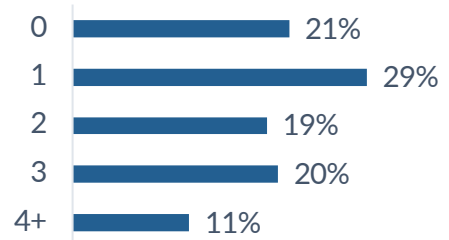


While all forms of governance structures were reported across all AUM levels, **Family Councils were more prevalent among family offices with AUM of \$2.5 Billion or more.** Meanwhile, Owners Councils were more prevalent among family offices with AUM of less than \$250 Million. **More detail by AUM is included in the full report.**

## NUMBER OF GOVERNANCE ENTITIES USED BY FAMILIES

**79% of participants report the use of one or more types of governance bodies by the family.**

The number of governing entities used does not seem to correlate with AUM. **However, there are differences based on which generation leads the family.**



Governance Structure	All	Founder	2nd Generation	3rd Generation	4th Generation
<b>Family Council</b>	<b>33%</b>	<b>20%</b>	<b>41%</b>	<b>27%</b>	<b>35%</b>
Owners Council	12%	11%	10%	7%	12%
Advisory Board	27%	24%	29%	20%	12%
<b>Board of Directors</b>	<b>41%</b>	<b>21%</b>	<b>35%</b>	<b>57%</b>	<b>65%</b>
Investment Committee	54%	40%	55%	50%	41%
Family Assembly	22%	15%	24%	13%	35%
Other	1%	0%	2%	0%	0%

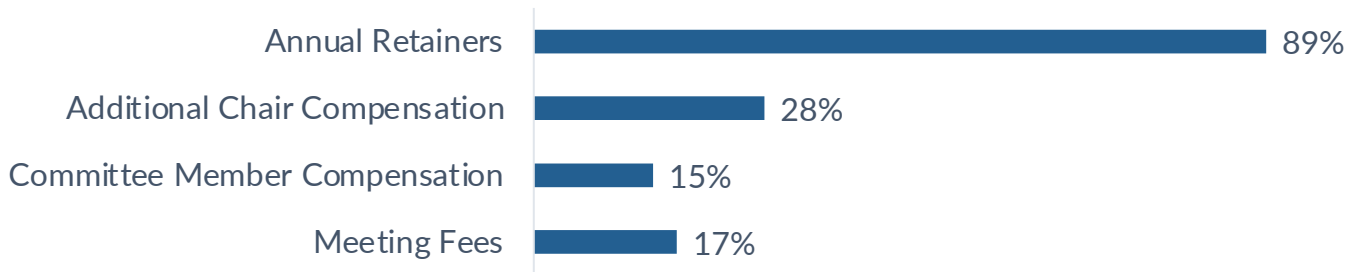
# SURVEY HIGHLIGHTS

## COMPENSATION



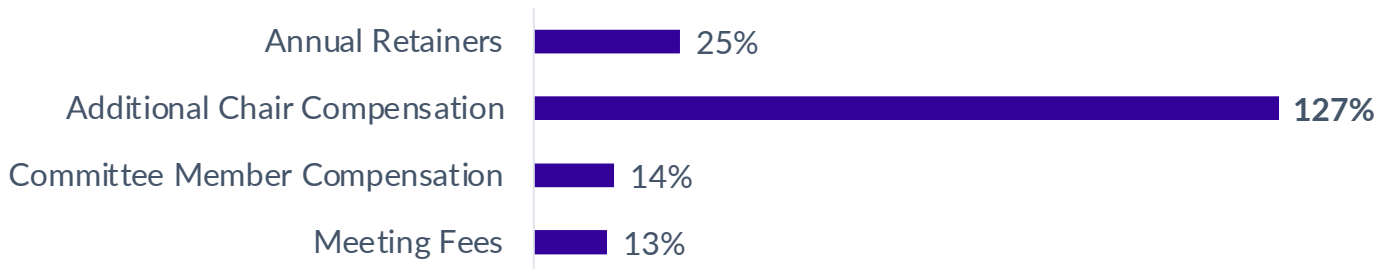
Participants were asked if governance members are compensated. The overall prevalence of forms of compensation is reported below.

### PREVALENCE



Detailed compensation data, presented regionally by percentile and AUM (if available), is available in the full report.

### INCREASE FROM 2021 REPORT



As expected, **compensation is higher than in Botoff Consulting's previous report on governance compensation in 2021**. While some of the difference may be attributed to a larger number of survey participants, the competitive data for board members has increased regardless.

**Specifically, *Additional Chair Compensation* has substantially increased by more than 100%.**

# ABOUT BOTOFF CONSULTING

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Founded in 2014, the firm provides compensation and related consulting services to family offices, family investment firms, and family business enterprises across industries and geographies. We continue to build and maintain the most expansive database of family office, family investment firm, and household and estate compensation data.

Our diverse team of consultants brings not only a deep array of insights, but also a long history of prior experience working together. Our extensive expertise includes compensation benchmarking, strategy and structure; benefits analysis and benchmarking; incentive plan design; performance management; compensation governance; board support; and litigation/expert witness support.

We utilize both our proprietary data and a broad array of best-in-class compensation studies, ensuring we capture markets from which you compete for talent. With principal consultants on both the East and West coasts, we serve clients in the U.S. and globally.

**To learn more, please visit [botoffconsulting.com](https://botoffconsulting.com)**



**For questions regarding the survey and our services, please contact us.**

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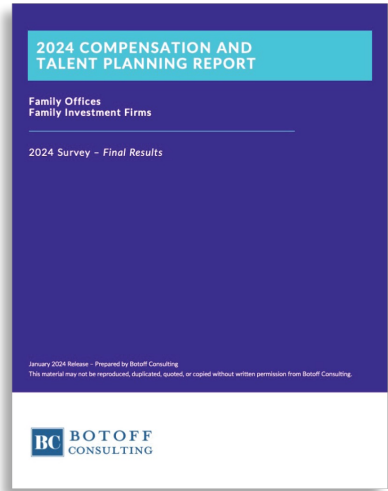
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# ABOUT BOTOFF CONSULTING

## OUR PROPRIETARY DATA

Botoff Consulting continues to build and maintain the most expansive database of family office, family investment firm, and household and estate compensation data. Our proprietary data captures market trends and best practices and allows family offices to make decisions more effectively. Our most recently published reports include:



### ◀ 2023 Compensation and Talent Planning Survey

*Published January 2024*

### Single Family Office Compensation Survey ▶

*Published May 2023*

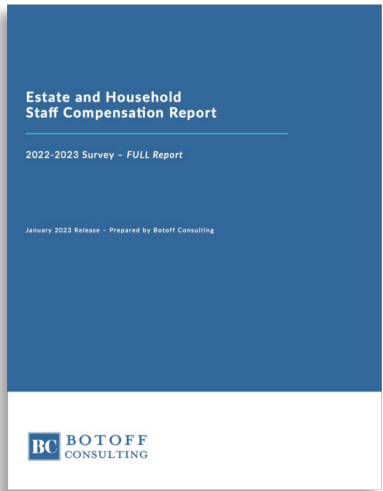


### ◀ UK and Europe Family Office Compensation Survey

*Published March 2023*

### Estate and Household Staff Compensation Survey ▶

*Published January 2023*



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