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5 Ways A Family Office Grows Revenues and Deepens Bonds between Trust & Estate Planning Attorneys and Their Clients

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There are many reasons Trust and Estate Planning attorneys who are not partnered with a multi-family office might consider doing so. While sharing an affluent clientele and increased revenues is clearly advantageous, billable hours are only one aspect to consider within a larger scope.

When properly nurtured, a relationship with a multi-family office will be mutually beneficial for years to come. The size of the law firm retaining the attorney matters little—both small, specialized boutique practices as well as large firms can reap substantial benefits by affiliating themselves with a multi-family office. Here are five reasons why:

Referrals become clients who'll require more than one kind of legal advice.
More clients equates to more earnings. However, this is only one part of the story. Deeper relationships covering more areas of a client's life also equate to more earnings. Family Offices cover both personal and corporate affairs. There are invariably opportunities for a large law firm to serve a family's legal needs and requirements outside of Trust and Estate Planning's specific scope. Mergers, acquisitions, the financing and structuring of businesses, succession planning and philanthropy and are just a few of the challenges member families within a family office need help solving.

A Family Office's high-touch model provides the T&E attorney with the "big picture" for clients and their heirs—this translates into revenue. Let's face it—families do not always prioritize estate planning. However, given a family office's focus on avoiding estate taxes, there is deliberate attention paid to every facet of the family's wealth enterprise. Thus, a well-structured plan is not only encouraged, but, generally reviewed regularly. This provides an attorney with regular, yearly meetings as opposed to creating the estate plan and potentially not seeing them again for another 8-10 years. More frequent meetings equates to greater revenue and more meaningful bonds with the family. "If the attorney is part of the family office team and included in regular client meetings, s/he is likely to be seen as a trusted advisor who should be included instead of merely a draftsperson only appearing every decade or so to update documents," says Gerald Dunworth, a law Partner at Gibney, Anthony & Flaherty.

Affluent clients, family members, heirs and friends need estate planning and other services. Attorneys affiliated with the Family Office are well positioned to become the "go to people" for a member family as well as their extended network. An estate is likely to include a variety of assets which may include business and philanthropic endeavors. Non-family members are often in positions of influence and can be a referral source since they generally represent a trusted advisor to the family decision maker. And by the way, they'll have their own needs for trust and estate planning services for their own family and heirs. "When the attorney is the trusted advisor to family members in different generations the family may want the attorney to act as a fiduciary (executor or trustee). If the attorney does not promote himself or herself for that position and the family as a whole wants the attorney to fill that role, it should eliminate any ethical questions about the attorney acting as fiduciary. This is not always the case if the attorney is just a draftsperson seeing the client sporadically every several years," says Dunworth.

Their trust and estate planning attorney is the natural choice for a family to select as trustee and family offices frequently advise member families do so. No one understands a trust's provisions better than the estate planning attorney who created it. "Those in fiduciary roles (trustee and executor) can develop a close relationship with the family through the family office. When this is the case, it's often more appropriate for the attorney to become a fiduciary than it would if the attorney is only seeing the client sporadically every several years," says Dunworth. Given the complexity of a trust's verbiage, statutory variations and other legal nuances, estate planning attorneys are well-suited to navigating what could be rocky sailing for a lay person. If a trustee, such as a friend or family member, doesn't understand how to execute what's outlined in the documents properly, there may be unintended consequences.

A multi-family office ultimately makes the attorney's job easier. The multi-family office's hands-on approach is used as a preventative measure against the "shirtsleeves to shirtsleeves in three generations" phenomenon. Every civilized culture on the planet has a version of this proverb. It's depressing to see assets destroyed in three generations or less. A multi-family office educates a family's heirs with the intention of them becoming intelligent stewards of the family's assets. While this built-in education may not increase revenue substantially, it enhances the satisfaction in a job well done.

A multi-family office offers an attorney's participation in a client's ongoing education which generally happens at least once per year. When attorneys are unfamiliar with clients outside of their estate plan, the multi-family office structure facilitates establishing key relationships with the family's decision makers. We recommend estate planning attorneys cultivate and curate a strong relationship with at least one multi-family office. Not only will it be a potentially rich source of referrals and revenue, over time it will offer the opportunity for attorneys to deepen their bond with clients and continue to build and grow relationships with the next generation.

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