

EMERGENCY RESPONSE TABLE TOP SIMULATION

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FAMILY OFFICE
ASSOCIATION

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COVID19 accelerates what most families of exceptional wealth and their single family offices should have been doing consistently all along:

STRESS TESTING

DISASTER SIMULATION PLANNING

PLAYING OUT 'WHAT IF' SCENARIOS

You want your single family office to anticipate issues and problems before they present themselves and rear their ugly heads.

It's only natural for any organization, including a single family office, to grow somewhat insular and complacent—especially in the intimate and too frequently siloed environment of a single family office. Blind spots develop and there's a lack of an outside perspective/thinking through problems and best practices and solutions. If it's not broken why spend money and brainpower to make it better and evolve?

Failed paradigms, wishful thinking and over confidence won't overcome the dynamic and rapidly changing challenges and problems that every significant family and their single family office may face.

There is a need for an experienced, creative and objective third-party facilitator to lead various simulations of devastating 'what if' scenarios. By stress testing BEFORE the actual problems happen, vulnerabilities are uncovered, identified as important, and the problems can be addressed.

"I JUST LOOK AT SOME THINGS AND GO, 'WHY IS THAT? WHY DOES IT WORK THAT WAY?' OFTENTIMES, THE PEOPLE MOST ENTRENCHED IN A SYSTEM HAVE NO IDEA WHY."

- ANGELO ROBLES
FAMILY OFFICE ASSOCIATION

As part of our 'Thrive In Crisis' Dream Team Initiative, we offer a consultative exercise known as a Table Top Simulation. These can be initiated by the family or by the head of the single family office.

No single family office is perfect. It's critical for the leadership of the single family office to be open-minded, constantly seeking enhancement, improvement, and best practices.

A strong single family office and its leadership doesn't hide from an intellectual exercise uncovering vulnerabilities to devastating risks, its strengthens itself and always seeks to improve.

A Table Top Simulation quickly provides valuable and concise feedback, commonly as its occurring in real time, and recommendations to shore up vulnerabilities. In the end, it benefits the family and addresses their deepest fears and concerns by enhancing protocols, communications, processes, access and back up to key resources, standards, policy and procedures.

Examples of Table Top Simulations for Single Family Offices

68-year-old family principal contracts COVID19 and the disease quickly escalates to needing a ventilator. Prior to this, he gives his 34 year-old daughter power-of-attorney to handle his affairs.

During COVID19 our Table Top Simulation is completely virtual.

Step one, if initiated by the family, is to understand their fears and concerns through questionnaires and interviews. It is organized with the family and the key executives in the single family office (they are made aware of the exercise, however not the details of the 'what if' scenarios to be used) and conducted through a half-day table top video meeting to gather information and propose several 'what if' scenarios to the single family office.

As with many real-life disasters that happen quickly and without warning, this exercise plays itself out in real time.

The second step is to reconvene for a half day two weeks later with reflective analysis and suggestions for enhancements.

If this exercise is initiated by the senior single family office executive with the approval and participation of the family, then the process is not too dissimilar. The executive introduces the family to our organization and the process is as stated prior.

Extraordinary single family office executives NOT uncommonly are the ones who initiate their interest in such an exercise to the family principal. They simply want to get better and be of best service to the family. We all have blind spots. Single family offices should be open to ways to strengthen operations, controls and communications.

This is not a gotcha exercise. No organization is perfect. It makes things better and provides processes and plans around the greatest fears of the family.

Learning from Philosopher Seneca

The book *Stillness is the Key* by author Ryan Holiday, shares some amazing lessons on stress testing, disaster simulation planning and 'what if' scenarios by iconic philosopher Seneca. He writes:

"It's why Seneca said that nothing happens to the wise man contrary to his expectation, because the wise man has considered every possibility—even the cruel and heartbreaking ones.

Well, first, knowing that life comes at us fast, we should be always prepared. Seneca wrote that the fighter who has "seen his own blood, who has felt his teeth rattle beneath his opponent's fist... who has been downed in body but not in spirit..."—only they can go into the ring confident of their chances of winning. They know what the darkness before the proverbial dawn feels like. They have a true and accurate sense for the rhythms of a fight and what winning requires. That sense only comes from getting knocked around. That sense is only possible because of their training.

In his own life, Seneca bloodied and bruised himself through a practice called premeditatio malorum (“the premeditation of evils”). Rehearsing his plans, say to take a trip, he would go over the things that could go wrong or prevent the trip from happening—a storm could spring up, the captain could fall ill, the ship could be attacked by pirates, he could be banished to the island of Corsica the morning of the trip. By doing what he called a premeditatio malorum, Seneca was always prepared for disruption and always working that disruption into his plans. He was fitted for defeat or victory.”

War Games to Get Ready

Is your family office ready for what the future might hold?

The Prussian army adopted the use of war games to better train its officers after sustaining defeat after defeat by Napoleon in the early 19th century. Two groups of officers ran the strategy for blue game pieces representing the Prussian army or home team. Another group played with red pieces representing the enemy. The game put strategic thinkers in the minds of the enemy in developing tactics and stratagem, while strengthening the thinking about how to anticipate, respond, and thwart enemy efforts.



Businesses today can benefit from red team war games around a variety of potential threats. Business leaders, the blue team, can benefit from facing adversaries and alternative points of view by outsiders on the red team. Red team attacks can help you identify risks and vulnerabilities in your technology, your people and processes, your strategies, and your physical spaces. Business wargames let you test the validity of your strategies, processes, and responses, while putting stresses on your readiness and agility.

“We are our own worst enemies when it comes to identifying any shortcomings in our hypotheses,” says red teaming expert Dr. Peter Attia. “We are victims of confirmation bias, groupthink, anchoring, and a slew of other cognitive biases. The worst part is that we are often unaware of our biases, which is why we’re the easiest people to fool.”

Getting the perspectives of outsiders and seeing our own thinking contradicted is unpleasant. No one likes being wrong or weak. Yet facing these potential realities in a deliberate and methodical way, leads to better decisions, better readiness, and better responses.

Concluding

Every single family office benefits from an experienced, trusted, outside set of eyes enhancing best practices around the risks most concerning to the family.

This Table Top Exercise will stress test your single family office's systems, protocols, communications, processes, access and back up to key resources, standards, policy and procedures

Disasters that abound a small sample include sudden incapacity/death of a family member or key executive in the single family office, terrorist attack, kidnapping, electrical grid going down, cyber crimes and much, much more.

It can take ONE day of something going terribly wrong to destroy what you've built over decades.

Pricing

Reach out for custom pricing.

Dues Paying Single Family Office Members of the Family Office Association:

We'll apply 2X their annualized membership dues towards the cost of the Table Top Simulations as a benefit of membership. Some more limited Table Top Simulations will be covered without any out of pocket expenditures (especially if virtual and no travel).

“THE TWO BIGGEST BARRIERS TO GOOD DECISION MAKING ARE YOUR EGO AND YOUR BLIND SPOTS. TOGETHER, THEY MAKE IT DIFFICULT FOR YOU TO OBJECTIVELY SEE WHAT IS TRUE ABOUT YOU AND YOUR CIRCUMSTANCES AND TO MAKE THE BEST POSSIBLE DECISIONS BY GETTING THE MOST OUT OF OTHERS.”

- RAY DALIO

Angelo Robles

Angelo Robles knows a thing or two about wealthy families. He's been working with them since 2008 when he founded Family Office Association, a global membership organization for UHNW families and their single family offices. His members say that he delivers the finest in content and programming, including his own proprietary content on designing, accelerating and/or transforming single family offices to thrive generationally. Angelo emphasizes embracing innovation in the single family office. This includes creating appropriate benchmarks, implementing relevant technology, and updating processes to align with industry best practices.

Having worked with multiple generations of families for the past 12 years and their trusted advisors, Angelo has gained an enormous amount of intellectual capital on how UHNW families think and feel – and what motivates them.



Angelo is the founder of the Effective Family Office think tank and is creator of the “Family Office Masterclass Program Series” for families, their single family offices and their advisors. He also personally coaches a select group of global families and advisors.

He is a frequent source to top media outlets like Bloomberg News, Wall Street Journal and Institutional Investor, and maintains a thought-leadership series via his podcast Angelo Robles’s Effective Family Office on iTunes. He has also authored the book *Effective Family Office: Best Practices and Beyond*, which is available through Amazon. He is the co-author of *Maximizing Your Single Family Office: Leveraging the Power of Outsourcing and Stress Testing*.

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About Family Office Association

Family Office Association is a highly selective membership organization dedicated to the multigenerational success of families, the thriving and intergenerational understanding of family members (Traditional, Boomer, Next Gen, Millennial, Gen Z), and to the single family offices that work with pride and distinction in supporting all five capitals (financial, human, intellectual, social and spiritual) of the families they serve.

Family Office Association is dedicated to bringing you a uniquely beneficial understanding of family and single family office current best practices, anchored by our proprietary research and content. We connect members through our personal relationships with the most knowledgeable resources about family offices, attuned the very near future and rising generations, that can serve to remarkable benefit. We provide peer-to-peer connectivity, connections to all generations of other families and to single family offices, and we host exclusive programming and private retreats that are unparalleled in the community.

Throughout the year, Family Office Association hosts numerous events across North America (including New York City, Los Angeles, Boston, Newport Beach, Miami, Palm Beach, San Francisco and Palo Alto), several at members private estates.

We help make successful families and their single family offices more robust, their investment options more diverse and antifragile, and their family visions and structures more responsive, sound and sustainable for future generations.

To learn more and apply to join Family Office Association contact:

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