

FINANCE & WEALTH MANAGEMENT

# PRIVATE WEALTH MANAGEMENT LATAM



# Overview

Nine out of 10 Latin American companies are family-owned firms, yet only 30 percent of these businesses survive to the second generation, according to research conducted by the Family Business and Office School, a pioneer in providing private-wealth-management training and education to this high-net-worth demographic in Latin America and Miami.

According to FBS, the major culprits for why family businesses don't thrive long term are a lack of wealth succession planning; inefficient family and corporate governance; little or no training of owners, shareholders, and the next generation of company leaders; and inefficient wealth management and asset allocation. And, in spite of Latin America being a world leader in productivity, the region neither saves nor invests enough as compared with other regions of the world.

Wharton, in collaboration with the Family Business and Office School—a pioneer in providing private-wealth-management workshops and education to high-net-worth individuals and families in Latin America and Miami, has designed a custom executive education program to meet the unique challenges of these high-net-worth clientele.

The three-day *Private Wealth Management LATAM* program takes place in Miami, Florida.



## Ignacio Pakciarz

*CEO and Founding Partner, BigSur Partners, a Miami-based multifamily office and investment firm serving international clients*

“Wharton provided cutting-edge techniques in financial analysis for portfolio management, including the concept of a Total Family Balance Sheet. That really complements our firm's philosophy—we take a holistic approach to managing our clients' wealth, addressing not only their assets and investments but also their personal assets, such as human capital.

The program professors shared a new academic paper that dissects the alpha generated by Warren Buffett through Berkshire Hathaway, which is a core holding for many of our clients. Wharton's more analytical instruments that help to better understand the dynamics of performance and risk enabled us to write our own paper that offered a more in-depth analysis to benefit our clients. Wharton also shared iconic family cases of what contributed to a family's success or to the destruction of its wealth. The mistakes made always come back to ego or some other type of human behavior when there is no real sounding board of family governance to help the family address the issue in a timely and systematic manner.

The session on better understanding our own communication styles was excellent—our job is a combination of art and science and part of the art is communication, so just being aware and being more thoughtful of different communication styles helps immensely. We actually replicated the test Wharton gave to identify our individual communication styles internally at BigSur to improve team dynamics. Our business model is very team focused. We want to bring the best practices from Wharton and apply them internally.”

# Experience & Impact

## Session topics include:

- The Total Family Balance Sheet
- Modern Portfolio Theory
- Performance Measurement and Manager Evaluation
- The Art and Implications of Asset Allocation
- Current Trends in Estate Planning
- Alternatives to Real Assets
- Trends in Impact Financing

Through highly interactive lectures, exercises, and a software simulation, you will elevate your value as an investment advisor and family-office leader, while showing your clients how to optimize portfolios. Both in the classroom and in smaller work groups, this deep dive into family-investment leadership will examine what family-office leaders, family members, and investment advisors need to manage current and future wealth and ensure the assets of their family business continue to grow.



*Private Wealth Management LATAM* will build on the capabilities that can help you ensure the assets of your family business continue to grow as your business grows. Wharton's experienced faculty brings objective insights on the latest trends in family investment.

Participants will expand their network, hearing from peers on best practices within the industry. They'll also gain technical expertise in key investment and financial-performance tools, such as manager evaluation, asset allocation, and a holistic view of a family's assets beyond just the financial or investment side. Equally important, participants will learn how to enhance their power and influence, and their communication skills, to be more effective when engaging with clients.

# Participant Profile

*Private Wealth Management LATAM* is ideally suited for the following types of investors:

- Family members whose family is in transition from illiquid to liquid assets
- Financially sophisticated individuals who seek a more disciplined strategy for today's financial markets
- Families whose leadership is shifting from one generation to the next
- Individuals seeking a current and rigorous curriculum on wealth management



*Private Wealth Management LATAM* is for financial advisors and managers of family offices for high-net-worth individuals/families based in Latin America and Miami. This program is also open to high-net-worth individuals who are actively involved in investing the wealth or overseeing the management of their family offices.

# Faculty



## Christopher Geczy, PhD

### **Academic Director**

*Adjunct Professor of Finance;  
Academic Director, Wharton  
Wealth Management Initiative;  
Academic Director, Jacobs Levy  
Equity Management Center for  
Quantitative Financial Research,  
The Wharton School*

Christopher Geczy is the academic director of the Wharton Wealth Management Initiative and of the Jacobs Levy Equity Management Center for Quantitative Financial Research.

He has been on the Finance faculty at Wharton since 1997. He has served on the staff of the Board of Governors of the Federal Reserve, on the Economic Advisory Board of NASDAQ, as chairman of the Mid-Atlantic Hedge Fund Association, and on the editorial boards of the *Journal of Alternative Investments* and the *Journal of Wealth Management*.



## ADDITIONAL FACULTY

### **A. Craig MacKinley, PhD**

*Joseph P. Wargrove Professor of Finance,  
The Wharton School*

# Session Highlights

**THE TOTAL FAMILY BALANCE SHEET**—addresses the reality that wealth is not just about financial assets but also includes many other areas, from operating businesses and liquid investments, such as real estate, to human and family capital. This session provides insight on coordinating all elements of family wealth when considering other family investment opportunities.

**MODERN PORTFOLIO THEORY**—demonstrates how to compose financial portfolios that perform well, taking into account the risks of stocks and bonds and the benefits of diversification. The session will feature a software simulation on how to optimize portfolios, taking into account measures of asset performance.

**PERFORMANCE MEASUREMENT AND MANAGER EVALUATION**—provides a high-level understanding of several performance measures, including risk-adjusted measures based on modern portfolio theory and style-based measures.

**THE ART AND IMPLICATIONS OF ASSET ALLOCATION**—focuses on the risk and return characteristics of asset classes and their implications for family wealth. The session will address the effects of economic and financial crises and international trends in the practical application of asset allocation to intergenerational wealth.

**CURRENT TRENDS IN ESTATE PLANNING** - Covering the essentials of estate planning, this session will explain important considerations and tradeoffs that will prepare participants to have informed conversations with their attorneys and other advisors. With a focus on how ultra-high net worth families may establish their succession planning vehicles, this session will explore how investors can minimize the amount subject to U.S. estate tax while maximizing the amount that goes to family, friends, and charity.

**ALTERNATIVES AND REAL ASSETS**—gives participants an understanding of various alternative-investment options, their respective roles in portfolios, and the unique risk profiles of alternative investments, including return versus risk and how alternative investments fit in investor portfolios.

**IMPACT INVESTING: DOING WELL BY DOING GOOD**—explores how to achieve competitive returns in investments while also achieving significant social good. This session presents a high-level overview of the impact-investing movement and how investors can exploit its innovative characteristics to do well by doing good.

# Sample Program Schedule\*

## PRIVATE WEALTH MANAGEMENT LATAM

DAY 1	DAY 2	DAY 3
BREAKFAST		
Program Introduction	Current Trends in Estate Planning	The Art and Implications of Asset Allocation
Modern Portfolio Theory	Estate Planning: Issues and Opportunities	
LUNCH		
Performance Measurement and Manager Evaluation	Panel: Estate Planning Opportunities In Latin America	Alternatives, Real Assets & Trends in Impact Investing
	The Total Family Balance Sheet	
Q&A	Q&A	Program Wrap Up: Taking the Learning Home and Family Best Practices Discussion
DINNER ON YOUR OWN		

*This program will be held at the EAST, Miami Hotel, 788 Brickell Plaza, Miami, Florida 33131 U.S.A.*

**FOR MORE INFORMATION AND TO REGISTER, CONTACT:**

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*\*Program start and end times are subject to change.*

*Please DO NOT make travel arrangements based on this agenda.*

