

WHY FAMILY OFFICES TURN TO EMBEDDED SECURITY MANAGERS FOR SECURITY, SAFETY, AND PEACE OF MIND.

A recent [Forbes](#) article details the significant growth of family offices worldwide, particularly in North America. While not as large as titans like Walton Enterprises LLC or Bezos Expeditions, these new single and multi-family offices are finding value in consolidating tasks for high net-worth individuals. The [Financial Times](#) explains, “families that create their own office often do so, initially, to invest their assets outside their ownership of the family business. There are other important needs that a family office can meet, such as helping members file tax returns, financial and inheritance planning, supporting the family’s philanthropic and community activities, and organizing family meetings, family education and family communication.”

Post-covid, an alarming new trend has followed the growth of family offices: gangs targeting the wealthy. According to an [LA Times](#) interview with Los Angeles Police Department Capt. Jonathan Tippet, “through surveillance video and other evidence, police have identified crews rolling three to five cars deep in some of the attacks... with gang members jumping out and blindsiding victims.” Paired with a similar [uptick in cyber attacks, ransomware](#), and reputational matters such as doxing, family offices are responding by employing the services of embedded security managers, or ESMs.

An ESM is an outside senior level expert employed by a security consulting firm and assigned directly to the family office to manage safety, security, and privacy needs of the family. Typical duties include management and oversight of all security staffing, executive protection, reputation and privacy management, special event and crisis response, investigations, travel risk advisory services, training, and security technology. ESMs perform these duties through their access to their security consultant network. The ESM serves as the *de facto* link between the company and the ESM’s security consultant network, allowing for a single point of contact within the family office. The ESM is a balance of boots-on-the-ground experience with boardroom capable presentation skills and policy/procedure development.

Although the ESM is an employee of a security consulting firm, they are fully integrated with and day-to-day report to, and are tasked by, the family office. In practice, this means the client compensates the ESM's security firm with an all-inclusive flat fee for the ESM's salary, while other HR issues, such as tax withholding, benefits, and insurance, are managed by, and the responsibility of, the ESM's security company. As the family office grows and new personnel are onboarded, ESMs allow for flexibility by filling gaps in executive security functions (e.g., physical security, cyber security, investigations, privacy). ESMs are assigned to either in-office or hybrid-remote roles.

ESMs come from a variety of backgrounds including government, military, law enforcement, and the private sector. It is important to understand that "fit" is just as valuable as credentials, so the best security firms hand-select and vet ESMs that best align within the family office's organizational culture. Beyond fit, discretion within family offices is paramount as the ESM will have access to sensitive or proprietary client information. A skilled ESM who cannot be discreet is of no value to anyone.

For those already working with a security consulting firm, inquire if they offer an embedded security manager role. Many clients find immense value in the time saved when an ESM can handle all of their security and investigative needs rather than tasking themselves or their staff with more administrative matters, where they do not have the expertise.



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