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SEI Survey: Wealthy Families Make Investment Decisions by Committee Following Financial Crisis

Poll Reveals Collaboration, Preparation of Next Generation Increases as Wealth Increases

OAKS, PA -- (Marketwired) -- 08/08/13 -- The 2008 financial crisis has changed the way affluent families view their investments and make important decisions, and the change is greatest among those with the greatest wealth, according to a poll released today by SEI (NASDAQ: SEIC). In fact, nearly half of respondents (48 percent) with more than $5 million in investable assets (Penta-Millionaires) said that their family makes investment and wealth management decisions more democratically following the financial crisis of 2008. By contrast, only a quarter of respondents in the "Mass Affluent" market (households with between $250,000 and $1 million in investable assets) say their family makes decisions more democratically after the crisis. The results point to a growing divide in the behaviors and investment decision making between different segments of affluent families.

The poll, of more than 800 individuals representing individuals or families with an average of $1.2 million in investable assets, was carried out by independent research firm Phoenix Marketing International. Beyond the increased collaboration among the wealthiest segment, the survey also revealed that those with the most wealth are most confident about their family's level of preparation for the future. More than half of respondents (55 percent) with more than $5 million in investable assets believe the next generation of their family is adequately prepared to handle the challenges of managing substantial wealth. That number drops to less than half (42 percent) among families in the broader "Wealth Market" (households with more than a million dollars in investable assets) and less than a quarter (19 percent) among the Mass Affluent.

"The financial crisis was a wake-up call for many Americans, but it has clearly changed behavior most significantly among the wealthiest families," said Michael Farrell, Managing Director for SEI Private Wealth Management. "The level of collaboration has increased dramatically among the most affluent and perhaps not coincidentally, so has the level of confidence they have in future generations. We've consistently advocated the importance of communication in sustaining wealth for the long term. We only hope it won't take another financial crisis for this to become the norm among families at all levels of wealth."

While decision making and preparation of future generations differs greatly among different sectors of wealthy families, how they define success is largely consistent. When asked how they measure financial success across generations, more than half of Penta-Millionaires (60 percent) chose absolute returns and total assets. That number was nearly identical among both the Mass Affluent and Wealth Markets (62 percent each). Risk and security was chosen by 27 percent of Penta-Millionaires polled, 25 percent of the Wealth Market, and 27 percent of the Mass Affluent. Heirs and legacy was chosen as the measure of success by 13 percent of Penta-Millionaires, 13 percent of the Wealth Market, and 11 percent of Mass Affluent.

The survey results are consistent with the findings of SEI's recent paper on wealthy families, "Enterprising Families, The Emergence of a New Breed of Investor." The paper was released in June 2013. For a complete copy of the paper, please visit www.seic.com/enterprisingfamilies.

About SEI Private Wealth Management

SEI Private Wealth Management provides clarity into the complex issues faced by wealthy individuals and families so they can make better decisions for themselves, their families, and their communities. In September 2011, SEI Private Wealth Management, formerly the SEI Wealth Network, was named to the National Association of Board Certified Advisory Practices' (NABCAP) Premier Advisor list, published by the *Philadelphia Business Journal.* SEI Private Wealth Management is an umbrella name for various life and wealth advisory services provided by SEI Investments Management Corporation (SIMC). SIMC is a subsidiary of SEI. For more information about SEI Private Wealth Management, visit www.seic.com/privatewealth.

About SEI

SEI (NASDAQ: SEIC) is a leading global provider of investment processing, fund processing, and investment management business outsourcing solutions that help corporations, financial institutions, financial advisors, and ultra-high-net-worth families create and manage wealth. As of June 30, 2013, through its subsidiaries and partnerships in which the company has a significant interest, SEI manages or administers $507 billion in mutual fund and pooled or separately managed assets, including $204 billion in assets under management and $303 billion in client assets under administration. For more information, visit www.seic.com.

Company Contact:

Dana Grosser
SEI
+1 610-676-2459
dgrosser@seic.com

Media Contact:

Jason Rocker
Braithwaite Communications
+1 215-564-3200 x110
jrocker@gobraithwaite.com

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