

Managing Complexity at Scale: How Callan Family Office personalizes risk management for UHNW investors

A look inside how Callan Family Office uses MSCI Wealth Manager to unify risk insights across customized ultra-high-net-worth portfolios.



Overview

Callan Family Office serves the financial needs of wealthy, multi-generational families across the United States. These clients often hold portfolios with significant exposure to private equity, real estate, and other illiquid investments, assets that pose analytical challenges beyond the limits of traditional portfolio risk management systems. Managing such wealth demands more than attentive service; it requires deep investment expertise, specialized knowledge, and the technology infrastructure to evaluate and tailor portfolios at scale.

At Callan Family Office, scale doesn't mean standardization, it means consistently applying a disciplined, institutional-caliber investment framework to portfolios that are deeply customized, complex, and highly taxed. The firm focuses on growing and preserving wealth after taxes, recognizing that turnover and short-term decisions can erode multi-generational value. This discipline informs every investment decision, from allocation and rebalancing to manager selection and trading. Callan Family Office built an investment platform to put this philosophy into practice, equipping its investment team with the transparency, analytical rigor, and tax-aware tools needed to construct portfolios aligned with each client's goals, preferences, and risk profile.

To ensure that these customized client portfolios remain well-aligned and disciplined over time, Callan leverages MSCI Wealth Manager technology for enterprise-grade risk oversight. The MSCI technology visualizes client risk exposures in a unified framework, incorporating private and public assets into a single, risk-aware view. This capability allows the firm to measure risk, assess diversification, and identify rebalancing opportunities across its ultra-high-net-worth (UHNW) portfolios. Embedding these insights into its portfolio process, Callan applies disciplined oversight across allocation, selection, and tax-aware execution, enhanced by MSCI's technology.



Challenge

Analyzing the risk of ultra-high net worth portfolios is a significant challenge for wealth management firms.

Family wealth is often created and driven by closely held businesses—lucrative, but highly concentrated and extremely illiquid. Private market investments in hedge funds, private equity, private credit, direct real estate, and other illiquid and non-publicly traded assets are also commonplace. Historically, firms lacked the data necessary to model the risk of these types of private assets, leaving a major blind spot in portfolio analysis for UHNW clients. In an attempt to bridge that gap, many firms rely on public market proxies, a poor substitute that often masks the true concentration or risk characteristics of private holdings.

These challenges are especially evident in how similar-sounding asset types can exhibit materially different risk and return characteristics in practice. For example, the value of a commercial building owned by a family won't move in lockstep with that of a public REIT, while a controlling interest in a small, private manufacturing business doesn't have the same risk-return profile as a small-cap stock. This is equally true within the private equity space, where venture capital, growth equity, and

buyout funds all have distinct risk and return drivers, despite often being grouped together under a single asset class.

MSCI Wealth Manager, with its private market risk modeling capabilities, enables Callan to differentiate among these private investment types to capture their unique risk characteristics and, in doing so, design more diversified asset allocations.



Challenge

Callan needed to accurately model private assets and deliver that analysis in a scalable way. With thousands of private asset positions across client portfolios, the firm required a solution that could represent each holding with relevance and accuracy.

"A total portfolio perspective helps us visualize how risk is distributed across a client's portfolio, including both public and private assets, and how risk changes over time. That insight guides how we build long-term allocations and rebalance to keep portfolios on track."

Daniel Burke, CTO at Callan Family Office



Action

Callan Family Office partnered with MSCI to implement Wealth Manager, a portfolio analytics and design platform that supports the firm's ability to deliver personalized, risk-aware portfolio guidance at scale. Key capabilities of MSCI Wealth Manager include:



Factor-based portfolio analysis:

Rather than relying on holdings-level aggregation, Callan uses MSCI's factor-driven models to evaluate performance, correlation, and risk exposures, supporting more precise asset allocation and diversification decisions.



Integration of public and private assets:

Wealth Manager enables Callan to analyze clients' private investments, including real estate and family businesses, within the same risk and return framework as their liquid assets. This unified approach enhances visibility and helps advisors assess total portfolio behavior more effectively.



Consistency across time and portfolios:

The platform's modeling capabilities allow Callan to apply its investment principles systematically, whether tracking drift, evaluating rebalancing opportunities, or adapting to changing client circumstances.



Support for client communication:

Callan uses the Similarity Score to simplify portfolio dynamics, enabling deeper, more grounded conversations with UHNW families about alignment and next steps.

"MSCI Wealth Manager's Similarity Score seamlessly integrates public and private assets into a single portfolio metric—delivering clarity, and actionable insights for alignment with client goals."

Govinda Quish

MD, Head of Wealth Management
Product at MSCI Wealth



Measuring Alignment:

One Portfolio, One Number

A direct and deliberate result of Wealth Manager's broad-based methodology, the MSCI Similarity Score is a single metric that compares portfolio composition against that of a target allocation defined by the desired client outcome. Traditional portfolio risk monitoring systems rely on rigid asset classification labels and permissible allocation bands—broad rules that miss the nuance of how portfolios actually behave. In contrast, MSCI's Similarity Score evaluates portfolios based on underlying risk factors, not just labels, giving Callan a far more precise view of alignment, drift, and exposure across public and private assets.

By using factor exposures, returns, and covariances, the MSCI Similarity Score accounts for portfolios that behave similarly in the market even when holdings differ from target allocations, sometimes considerably. As a result, any misalignment between client and target portfolio at specific points and overtime can be tracked and mitigated, even as markets and economic factors fluctuate. In this way, Wealth Manager also plays a key role in supporting Callan Family Office portfolio governance, helping ensure that each client portfolio remains aligned with the objectives and risk parameters defined in a client's investment policy statement.

Summary: This single metric enables more focused, data-driven conversations with clients, turning complex portfolio behavior into an at-a-glance insight. It's a way for Callan to deliver rigorous oversight with clarity, which elevates client trust, responsiveness, and long-term alignment.

"Risk analytics are often difficult to distill in a meaningful way for client conversations. Similarity Score provides a single, intuitive measure that helps frame client discussions around alignment, drift, and rebalancing in a way that resonates."

Daniel Burke, CTO at Callan Family Office

Impact

At Callan Family Office, the clarity and consistency of portfolio insights delivered through MSCI Wealth Manager deepens conversations about risk management with current and prospective clients. These sharper insights drive more confident portfolio decisions and turn rigorous analysis into a strategic advantage.

Callan used MSCI Wealth Manager to help a prospective client with a highly concentrated real estate position preserve their legacy holding while pursuing greater diversification and long-term growth with their liquid assets. By modeling the private asset alongside public investments, Callan identified the risk exposures and liquidity risk that traditional tools overlooked. The platform enabled Callan to design a risk-aware allocation that honored the family's desire for stability and continuity, while identifying new opportunities to rebalance, improve liquidity, and align the long-term liquid portfolio with future wealth goals.

Beyond enhancing portfolio design, MSCI Wealth Manager has also strengthened Callan Family Office's internal investment oversight by integrating seamlessly with the firm's reporting systems, including Addepar. This integration ensures that risk insights—including metrics like Similarity Score—are not siloed in a standalone application, but flow directly into the firm's broader portfolio management environment, where they are timely, visible, and actionable. Risk and alignment metrics are consistently available alongside portfolio data, allowing Callan's advisors and

investment teams to monitor portfolios more effectively and respond proactively to market changes or client-specific developments.

By embedding MSCI's infrastructure into its risk management workflow, Callan ensures that risk insights are timely, scalable, and seamlessly connected to client-facing decisions. For families with multi-generational, illiquid wealth, it's the difference between passively monitoring risk and proactively managing it.



Conclusion

From allocation to oversight, Callan Family Office uses MSCI Wealth Manager to apply consistent risk management and portfolio discipline across a range of complex, taxable UHNW client scenarios. The platform's integration with Callan's broader investment process enhances visibility, informs decisions, and supports thoughtful execution across public and private holdings, enabling clients' portfolios to remain aligned with purpose, discipline, and long-term goals.

About Daniel Burke

Daniel is an Investment Partner and the Chief Technology Officer at Callan Family Office. He oversees investment technology for the firm, including MSCI Wealth Manager. With 20 years of experience in UHNW investment management, he understands fully the connection between financial technology and investment outcomes for wealthy families.

He earned his MBA in Econometrics and Statistics with High Honors from the University of Chicago Booth School of Business. He also holds a BSBA in Finance from Bowling Green State University and is a CFA® charterholder. Dan is Co-Chair of Callan Family Office's investment committee and a member of their executive committee.

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