

When Couples Have Different Financial Opinions



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Financial service advertisements create a myth that good planning revolves around a loving couple working together with their professional advisor. In these enticing commercials, the couple never disagrees with each other on financial matters.

Couples often try to project this myth of a perfect relationship during their first meeting with a financial advisor. Unfortunately, they often brush over important differences about their attitudes towards money. This oversight can get in the way of effective [financial planning](#). For example, one spouse focuses on a bucket list of exciting things they would love to experience in their life, while the other partner worries about future health care costs similar to those that hit their parents later in life. How might this play out? One partner asserts expenditures that satisfy their bucket list is money well spent, while the other person resists this type of spending.

As an advisor, it is important to assure the couple that having monetary differences does not reflect negatively on their relationship. It is worth trying to identify and address their common goals and differences.

Determine a Couple's Risk Tolerance Separately

First of all, set the tone by suggesting to the couple their mutual goals and differences are important. Rather than ask the couple together what their risk tolerance and attitude toward money is, provide a separate [risk tolerance](#) survey to both parties. Ask them not to compare their responses until after their surveys are completed.

Occasionally this approach is met with resistance. The most common objection is that one party handles all the financial matters so the other person's opinion does not matter. This can be a red flag because it doesn't allow significant differences to surface. While one person may handle the family money, almost everyone has strong emotional feelings towards money. Perhaps one person does understand investments better, but there are many other money matters in which both parties have opinions. Their distinct attitudes often become apparent when exploring opinions about savings, spending, charity, family, travel and work. (For related reading, see: [Understanding Investor Behavior](#).)

Understand a Couple's Financial Goals

Understanding their common goals and the differences can help develop a better plan. For instance, a couple, both 64 years old, came to see me. They had substantial assets. The husband was proud of how his business had grown and looked forward to a retirement filled with travel and perhaps a second home. His wife was nervous about money. Her survey indicated she was extremely conservative about taking risk and spending. Speaking about her potential retirement made her nervous. When we discussed this, her husband thought her fears were irrational given their family assets, but with more probing another issue came up: Almost all the family assets were in his name through his business and other accounts. Although they both planned to stay together for the rest of their lives, the woman still felt financially vulnerable.

In this case, the husband wanted to reduce his wife's anxiety. He asked if putting some of their assets in her name would alleviate some of her financial worries. She surprised both of them by saying yes, it would be helpful and it would change her attitude about spending and retirement. The remainder of the planning process moved along fine as they focused on their common goals and potential tradeoffs. (For related reading, see: [Top 6 Marriage-Killing Issues](#).)

Some people may question whether it is the role of an advisor to identify different attitudes towards money when developing a plan. Perhaps this discussion is more appropriate for a therapist. But who is in a better position to help, since the planner has the distinct advantage of also knowing their financial situation? Exploring options that take into account different perspectives and emotional concerns can result in realistic compromises.

So while having a happy couple address all financial matters with a common purpose is an ideal situation, it should not be expected. In the real world, most couples have differences, and they should be allowed to surface. By incorporating this valuable information, [a worthwhile plan](#) can be developed and accepted by both parties. (For related reading, see: [Top Tips for Handling Married Couples' Finances](#).)