



Having “the talk” with your family about money

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Ask any Boomer-aged parent what conversation their parent’s dreaded most having with them and they will probably say it was about sex. No doubt about it, those days are gone. Fair to say that replacing it today is a “money” conversation. You know, the one in which your wishes, wills, trusts, legacy and who gets the Baccarat are discussed.

Over the past few weeks more than one financial professional on TV has been yakking about how this holiday season would be a great time to talk money. Their thinking? Since families are gathering to enjoy some family festivities, why not have a chat about money around the dining room table.

To that I’m thinking, are they kidding? Personally, I can’t think of anything more damaging for a family really-don’t-like-everybody-who-is-here dinner than— as Papa is passing the turkey platter— for him to throw in a, “Oh, and by the way, Nancy, you’ve been disinherited.”

I can hear the OMGs and see the jaws drop now.

Working together, Merrill Lynch and Age Wave recently released the results of a study about retirement titled, “The Family & Retirement: The Elephant in the Room.” Pretty sure that everyone reading their findings will find them both informative and interesting as they cover a variety of subjects from who is considered the “family bank” to blended families, divorce and the impact of longevity on our lives, wishes and finances.

I spoke with Ken Dychtwald, CEO and found of Age Wave, about the study and shared with him that I thought a holiday meal gathering was no time to talk financial turkey given that the subject is such a touchy one.

“There is no question that it’s a touchy subject,” said Dychtwald.” But the majority of the population has not had a discussion of this type with their children, their parents, their adult children or even their spouses.”

Good point, Ken, who added these survey stats: 70 percent of adults interviewed had not had a discussion about these issues with their parents; 56 percent had not discussed these matters with

their adult children; and 28 percent hadn't discussed any of these issues with family members at all.

I'll bet there might even be more than a few wealthy Palm Beachers who also have not let the financial cat out of the bag to everyone in their family. But as well all know, Palm Beachers often do things a little differently.

Margaret May Damen, president and founder of The Institute for Women and Wealth, said that it's typically the woman who takes the lead when it comes to discussing family estate planning and finances.

Regarding wealthy families, she says: "Very often affluent children don't realize that there are others out there who are not in the same economic position. So typically it's the woman in the family who wants their children to know they have been privileged and with that privilege comes responsibility to take care of money and to use it wisely."

In lieu of a family meal discussion about money, where a dollop of mashed potatoes could easily fly across the table after hearing Papa's proclamations, Damen offers this suggestion: Organize a first-class retreat to discuss all matters family related including money.

"I've worked with families and facilitated outings where you take a family out of their home and to a neutral environment, like a resort. That environment makes it easier for family members to relax, open up and have a conversation about money and the future," says Damen who is also the co-author of *Women, Wealth and Giving: The Virtuous Legacy of the Boom Generation*.

Comfortable advice.

The Merrill Lynch and Age Wave study, "The Family & Retirement: The Elephant in the Room" is definitely worth a read and available to download at:

<http://wealthmanagement.ml.com/wm/Pages/Age-wave-Survey.aspx> .

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