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New Jersey Law Journal

Attorneys Should Talk About Money, Too

Lori R. Sackler, New Jersey Law Journal

October 30, 2014



Talking about money is difficult—sometimes, even, taboo. Every family needs a strategy for discussing the topic of money and approaching it without anxiety. A well-conceived strategy can help family members tackle the emotional and financial issues surrounding life's transitions—divorce, retirement, caring for an elderly parent, transferring an estate, etc.—and help keep not only the finances but the *family* intact.

The relationship of partners and associates within law firms is much the same as in a family: many of the same personal subjects are taboo, and many of the same strategies can be employed to overcome negative feelings, hesitations and obstacles.

Attorneys working as solo practitioners don't have the same source of workplace anxiety when it comes to discussing money with their "legal family." They don't have to discuss it! Decisions are the individual's alone (perhaps along with a spouse or partner). Whatever he or she earns can be saved, invested or spent, and the decisions need not be discussed at the office.

But as soon as an attorney joins forces with another lawyer and forms a partnership, or brings on new attorneys as employees, things get trickier.

Most firms already hold scheduled meetings with partners to discuss verdicts and settlements and the general business of lawyering and managing the firm. But how often is the performance of the firm's 401(k) and retirement plan reviewed? What about necessary changes to health-care plans or insurance? In larger firms, even with committees reviewing benefit plans and performance, are the partners and associates looking at the benefit package in the context of their own personal financial statement and estate plan? Are they creating an integrated financial plan and considering the wealth strategies necessary to meet their short- and long-term personal goals? Are they even articulating what they want to accomplish?

Estate attorneys can be most adept in having money talks with families, especially sensitive topics such as estate transfer, which often involves family conflict and strife. That skill set, which at its core is a combination of technical, legal and communication skills, can translate into a facility with their own planning and family money conversations.

Litigators who represent individuals for whom a large verdict or settlement would mean a lifestyle change can also find themselves dealing with sensitive family money issues and oftentimes will look to outside professionals in order get the right plan and communication in place.

Generally speaking, the first step into personal finance for many attorneys is to *begin* the process of investing rather than thinking holistically about their financial world, of which investing is only a piece. Yet, lawyers are so busy protecting their clients' assets and looking out for their clients' best interests, they forget their own.

Most attorneys entered their practice of law bogged down with the crushing weight of law school debt. Those first years of building a practice and paying off debt may have distracted them from taking a comprehensive approach and setting up appropriate investment, insurance, retirement and estate plans. Once they actually begin accumulating wealth, they don't have the right strategies and vehicles in place to protect and enhance it.

And, too often, they are so busy with their case-load, outside law-related involvement (such as sitting on boards of associations and organizations), philanthropic endeavors, and keeping up to date on developments in their fields, they have no time to *find* the right advisors and put in place wealth strategies that will enhance and protect their own personal finances.

Since attorneys deal in billable hours, even an hour taken to surf the Web or speak with different professionals regarding personal finances can cost the lawyer a pretty penny. Therefore, having a long-term, detailed and comprehensive strategy, that the lawyer does not have to micromanage,

and that is orchestrated by a trusted financial adviser who collaborates with other professionals, is key.

Once all these considerations are addressed and incorporated into an individually-crafted long-term plan, suddenly the once-taboo topic of money is not nearly as daunting. A solid strategy can be the foundation on which the important channels of communication are built. •

Sackler is a senior vice president and senior investment management consultant with Morgan Stanley Wealth Management in Paramus, N.J. She is the author of "The M Word: the Money Talk Every Family Needs to Have about Wealth and Their Financial Future."

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