

Conversation over Conflict: Normalize Financial Talks in 2021



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A family friend recently came to me for advice on her relationship. While supposedly in the “honeymoon phase” and blissfully in love, she uncovered a shocking truth that would inevitably change the course of her marriage. My friend’s spouse had a massive online gambling addiction and insurmountable student debt. Losing up to 25,000 dollars a day (on an already tight, young professional budget) dug the hole too deep for the two. And unfortunately, the lack of conversation on the front-end lead to a divorce on the back end.

Financial conversations are difficult but as seen above, incredibly important. Here is the good news. The solution to taking ownership to the topic of money only requires three questions. Here is how to get there:

Start the conversation and build a Game Plan:

- 1.

How do you view money?

Money can mean different things to different people. If your partner sees money as a safety net, he or she might be less willing to spend on non-essential items. In other words, he or she may not see the “Target runs” to be as essential as you do. Asking each other how you view money will give you confirmation on whether your spouse identifies as a more frequent spender or saver. Likewise, your partner will be able to gauge your own stance on money.

The opening question is intended to be leading. Try not to shy away from bringing up your money history and experience. The memories you and your spouse hold are in part the reason why the conversation is taking place.

2. **What are your long-term and short-term goals?**

Got any big plans? This question allows you and your partner to have insight on what your expenses will look like in the upcoming and distant future. You may feel the strong desire to fund your children’s education, while your partner is more prone to engage in charitable gifting. The more aware you are of the upcoming financial goals, the greater the ability you have today to budget.

Goal setting is not only informative, but also can be used as a bonding experience. Let us look at another scenario. Maybe one that is a little more tempting and inviting. Your spouse dreams of hitting the Alps. You want to be poolside in Cabo. Chatting about dream vacation spots is a fun topic, and sharing these dreams creates a bonding experience in your future finances. This bonding experience will help you both commit to budgeting decisions to reach your dream vacation goal.

3. **How should we organize our money?**

This final question should be used as a financial roadmap. Joining forces financially allows each of you to take control of certain responsibilities. For instance, if your spouse tends to be more detailed and organized, he or she can maintain the tracking of your budget. If your spouse tends to hold a full online shopping cart, putting he or she in charge of bill payments will help them rethink before pressing the “Confirm Order” button. Dividing your responsibilities financially not only provides clarity, but also empowers you as a spouse to act on a role you feel good in.

This inquiry also leads to debt conversations. How much of your paycheck should go towards paying off your student loans? Should you increase your monthly payments to

your mortgage? Debt creates anxiety. In some instances, the emotional relief your spouse could feel from making extra payments takes precedence over other monthly costs. Determine the amount that both of you feel comfortable dedicating to your liabilities monthly. Say goodbye to the guilt and hello to your new routine!

Lastly, the question leaves space to continue your discussion on how much you would like to keep in savings, investments, and in an emergency fund. These amounts vary based on personal beliefs. Start with your emergency fund. Together find an appropriate amount whether it is 3 or 6 months of expenses, that you would like to stow away. From there, find an amount you both feel comfortable to hold in your savings account and dedicate the rest to investable assets.

The combination of these three questions is designed to be a roadmap in how to initiate your financial conversation. However, the reality and ultimate success of sharing finances is having several open and honest discussions. Consider planning a financial “date night” or setting time apart on your calendars to do a catch up. As seen from my family friend, the difference could be your marriage!

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