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**Multi-Disciplinary
Practice**

**Tenancy-in-
Common Interests:
A Valuable Tool**

**The Uniform Trust
Code: A Divorce
Attorney's Dream**

**25 Most Commonly
Asked Questions
About Charitable
Lead Trusts**

**Curiosity Creates
Safe Space:
Connecting with
Your Client**

**Charity-Owned
Life Insurance and
Investment Capital**

Curiosity Creates Safe Space: Why It's Important to Connect with Your Client

By
Gayle Knight Colman

Gayle Knight Colman talks about creating an environment where clients feel safe to share their ideas, experiences and goals.

Curiosity is the opening in a relationship that allows client trust and confidence to build. To heighten curiosity, you must release any preconceived beliefs. Curiosity captures people's hearts and minds. If a client witnesses your sincere curiosity about his life and his planning goals, he will be more willing and more enthusiastic in sharing his desires with you. Coupled with curiosity, it is necessary to dispel our own preconceived ideas about who people are and what their objectives should be. If we fail to listen and explore our client's true motives and values, we may inadvertently fail to fulfill our client's hope when he first sought our counsel. We may unconsciously lead our clients to leave a legacy of problems instead of a legacy of peace.

Howard Hughes is an example of this situation. As most people know, Howard Hughes was one of the wealthiest men in the world, but when he died, it became apparent that despite his vast wealth, he lived a life that resembled a life of poverty and desperation.

He was unshaven, isolated, wore tissue boxes for shoes and often no clothes. Although his mind was disintegrating, he ran a publicly traded company called Hughes Tool based in Texas, from one of his many Las Vegas casinos. His meetings were run with a phone link; he even testified before Congress the same way. Most of his advisors had no idea how he was living until after his death. Not one member of his inner circle was willing to say "the Emperor wore no clothes." When he died, his fortune went through probate for nearly 20 years.

Mr. Hughes was not the only wealthy person to live in a bizarre world of his own making. Phillip Knight Wrigley, an inheritor from Chicago, died intestate in 1977. Although he ran a publicly traded company (William Wrigley, Jr.) and loved his family as much

Gayle Knight Colman, CFP®, is a Financial Advisor and Wealth Coach. She is a Principal of Colman Knight Advisory Group, LLC and can be reached at (978) 371-2015 or gayle@colmanknight.com.

as the Cubs (Wrigley Field bears his family name), his fear of dying prevented him from making any plans beyond his grave. An article in the *WALL STREET JOURNAL* described how, despite the best intentions of his advisors, company executives and family members, no one could penetrate his fear of death. As a result, Wrigley never talked about what might happen after he was gone, much less created an estate plan to serve his family. Because the family wealth was primarily held in restricted holdings and illiquid assets, a maelstrom ensued to pay the federal estate taxes by the IRS deadline. Eventually, the Wrigley family sold the team and park to the Tribune for \$20.5 million, and a 65-year family love affair with the Chicago Cubs ended.

While the above examples may appear extreme, I wonder if these men felt safe with their advisors. Whatever the reason for the planning failure, it is clear that something went wrong. Whether it was illness or just avoidance, planning that could have saved their estates a great deal of time and expense never occurred. Safe space is an environment where curiosity permeates the room and a client naturally reveals the truth, even to the point of describing what is happening for them on a physical level. For instance, a client might say, "Being here today scares me because I did not implement your recommendations. I notice butterflies in my stomach." When clients are comfortable revealing this level of truth, they not only answer questions with complete honesty, they share parts of themselves that few others ever see. When I hear a client refer to a body sensation or notice tears in his eyes, I know

that I am not addressing an external tactical issue. I am responding to emotions that need care. This level of honest and open communication is essential in our business because it provides us more than information needed to do our job well. This safe space allows us to communicate with our clients about their true goals from the inside.

During 2002, when the market dropped precipitously, we had clients who were worried about the decrease in the value of their investment portfolios. The conversations usually started with frantic questions about individual holdings, what was happening in a particular industry and other external forces. We listened to those questions, then guided the conversation to more personal matters that were at the heart of the clients' anxiety. The clients' real anxiety came from their fear that they would not have sufficient funds to educate their children or survive in old age. By examining these fears, we were able to relieve clients from their extreme anxiety about their portfolio values.

In this article, we will discuss why creating safe space is important and how you can create it. Your sensitivity and reaction to this discussion may help you in understanding your clients' reactions and will help you respond better to your clients.

Why Is Creating Safe Space Necessary?

Over the course of my career, I have learned that my clients are *only* willing to share their histories, dreams, troubles and concerns once they feel safe.

Alison is a woman in her late 40s. She is in her second marriage, with a teenage daughter from her first marriage. After completing her individual investment analysis, strategy and implementation, we directed our attention to her daughter's education plans. While her personal investment planning and implementation went smoothly, Alison was riddled with fears and doubts about her daughter's portfolio that seemed unreasonable and out of proportion to the risk involved. I noticed the difference in Allison's approach to her own portfolio and her daughter's portfolio. I told Alison we were more than happy to answer all of her questions but at the same time, I was curious about what was behind these questions. Alison said, "I feel obligated to make sure I have the assets to educate my daughter. My father told me he would send me to college. But when it came time for me to go, he didn't, even though he had the resources. I had to obtain loans and work extra jobs to get through college. I want to make sure my daughter doesn't have to go through that."

Curiosity was the key to making a shift in Alison's awareness regarding her daughter's education plan. Unchecked, her behavior concerning these matters would have continued to pop up during periods of heightened stress. While we still get questions from Alison about her daughter's portfolio, she often stops mid-sentence and laughs at herself when she realizes the reason behind the question.

You may be saying to yourself, "But I don't need to hear my clients' stories, concerns or troubles. I already know how to provide well for them." In response, let

me share a recent exchange with an inheritor who saw an attorney who felt the same way. The client met with the attorney to draft her estate documents and describes the conversation as “very one-sided.” Before soliciting any statement from her concerning her desires, fears or goals, this attorney launched into the various techniques and strategies that would minimize her estate taxes. Although he offered all of the proper strategies to solve her estate issues, he presented the solution without giving her the chance to voice her concerns or to explain what mattered most. He made a crucial mistake. Most clients have no way to judge a financial professional’s competence other than how safe they feel in his or her presence. This inheritor left the attorney’s office with no intention of returning. Though much of what he proposed will be implemented, it will be done by someone who provides safe space.

In order to understand how to create safe space for others, you have to create safe space for yourself. You must cultivate your own awareness of safe space. You must take the time to be prepared for meetings. You must allow sufficient space for dealing with each client and not be constantly pressured to accomplish more in a day than time reasonably permits. You must have sufficient rest and exercise to feel relaxed and prepared for client interaction. The need for discussion about finances is great. Conversations about it are sparse and usually contain hidden fears and inhibitions. Money is the number one source of conflict in relationships arousing feelings of fear, sadness and anger. If your clients are not free to express these emotions, the

results you create will be limited. In order to construct a meaningful business plan, estate plan or financial plan, the client must fully open up to you.

In the fall of last year, Sadie was re-diagnosed with cancer. We reviewed her documents and she expressed to us her thankfulness that with our help, she had been able to accomplish so much for her children and grandchildren. We also helped her to address some of the many concerns of aging including the fear of outliving resources and creating a legacy that is both meaningful and constructive. Our client’s children told us how grateful they were for our relationship with their mother. Because of the safe space we created, our client’s children expressed interest in continuing our relationship for another generation.

Your clients must feel safe to express themselves regarding any issues that involve money. As you learn more about the client’s family culture of money, the truth emerges, wisdom takes over and constructive planning can begin. It is your responsibility as a trusted advisor to be in touch with your own feelings about money in order to make your client’s experience safe and meaningful.

Safe space is nonjudgmental. Overspending is a common client problem. My conversation with a client who is overspending is free of judgment. I create a safe environment that allows the client to take 100 percent responsibility, and that produces a behavior shift. You may try a statement similar to this: “I understand that you have increased the debt on your credit cards and that you do not want the debt to be at this level; this requires a change in your behavior. Let’s explore how the debt is

created on your credit cards.” In this case, I do not judge or shame the client for the increased debt, I acknowledge the problem, note that a change is required and prepare to understand how a change can actually be effectuated. To be safe, a client must feel understood. If your client experiences unconditional understanding, he will be freer to express more on a situation and then to work toward a solution. If you don’t understand his problems and concerns, realistic or not, then he will not be willing to share with you to the extent necessary to accomplish meaningful and valuable services.

Safe space allows vulnerability. It is not about you; it is about your client. Our clients must feel connected to be open and share their feelings, goals and fears. They must not feel judged and they must be free to change and to move forward. It is natural to make a mistake—mistakes allow new learnings and dialogue.

Questionnaires do not establish relationships with clients and do not create safety. Our work is about knowing our clients at the deepest level they are willing to go with us so that the financial analysis, strategies and wisdom we may offer are directly connected to their unique situation and will support them in their plan.

Our usual craft of managing an investment portfolio, preparing a tax return and other elements of our profession cannot be applied until we understand personal motivations, values and beliefs of our clients. Creating the perfect documents for the wrong person is generally what occurs when we do not know the interior journey of our clients.

Recently, my partner and I met James who was going through

a divorce. We allowed him to share his thoughts about the difficult time he was going through. Following this, the client admitted to my partner that he had not been truthful about the amount of money he made last year, that my partner reported when he prepared this client's tax return. This admission allowed the client to discuss some old issues he had with truthfulness and it presented me with the opportunity to explain that unless he was honest with us, our responses to him would not serve him because the basis for our wisdom will have been false.

One of the most important reasons for creating safe space is to serve your clients with lasting results. I believe that in order to be in practice, the professionals of tomorrow need the ability to create and sustain safe space for clients. The professionals of tomorrow need to master the art of curiosity. The professionals of tomorrow will certainly need to hold emotional intelligence as part of the essence of their practice.

The following 10 touchstone statements will open the door for you to ask yourself how you might create safe space for your clients. Explore where you might have an opportunity for a new approach to your work.

Ten Touchstone Statements

Be Interested in Others' Stories

We've all heard this statement before. Listen actively. Show you care by reflective listening. Let others speak without interruption. Do not engage your mind with your ideas for a clever response, but really listen. I include this statement

because it bears repeating. Listening is the basic skill in developing a relationship. By being interested in my clients, and curious about their situations and experiences, they become freer to share their ideas and their confidences.

Intentionally Cultivate Your Own Money Relationship So That You Can Hold Conversations with Your Clients About Money

We cannot begin to counsel and advise our clients about their finances until we understand and honor our own. It is essential to tell your client the truth about what you are charging for your services, products and the wisdom you provide.

We charge an annual retainer, and each year we re-engage our clients for the upcoming year. At the beginning of the fourth quarter, we send a Touchstone Assessment to our clients. In that assessment, we inquire as to the significant changes both personally and financially that they have experienced in the current year, their intentions for the following year and how we can support them. We discuss our fees and how these fees relate to the progress they have made in their life planning. We allow our clients to express their feelings and thoughts about our compensation and ask heartfelt questions. In the scope of this dialogue, we take the opportunity to articulate the value of our work and support that value with the affirmation from our clients. To ensure we are in sync with our relationship, we state the value we believe we are bringing to their lives and request that our clients affirm or clarify our understanding. There is no confusion concerning how much we are paid for the services

we provide. We want our clients to know how much of their resources are allocated to our firm so we are part of the conscious decisions they make about their cash outlays.

If we are not of great value to our clients, we do not want to engage in a relationship with them. Our clarity has opened up vast space for us to attract the kind of clients who value the support and progress we bring to their lives. And, our clarity gives our clients the opportunity to reflect and discern what is of most value to them, to challenge us to new heights and to hold them accountable to their dreams. After we helped a family purchase a second home on the water in Maine, our clients shared with us their joy that we had helped them to realize a life-long dream. Other professional advisors tell me they intentionally avoid conversations on the subject of compensation. Their methodology of compensation allows for "secrecy" to be a part of the engagement. It does not matter how you are compensated, whether you charge commissions, a fee for assets under management, by the hour, a retainer or any combination thereof. What matters is that you and your clients talk openly and freely about how much you receive for the work you provide.

Being Vulnerable Is the Most Powerful Expression of Confidence and Trust

In Carl Hammerschlag's speech to the financial planning community at the Financial Planning Association's 2003 Annual Master's Retreat, he stated that being vulnerable means that "I am open to touch your heart and for you to

continued on page 73

minority positions, anti-Restatement Third legislation will be needed.

⁸³ *Davidson v. Davidson*, *supra* note 20.

⁸⁴ *In re Balanson*, *supra* note 21.

⁸⁵ As previously noted, states have different definitions of what constitutes a “vested” or a “contingent” remainder interest. For purpose of this discussion, outliving a parent would not constitute a contingent remainder interest; rather the interest would be a vested remainder.

⁸⁶ *Comins v. Comins*, *supra* note 59, 595 N.E.2d, at 806.

⁸⁷ However, with the comment to §501 of the U.T.C. allowing the judicial sale of all interests, market data on this subject may actually develop in the near future.

⁸⁸ *Supra* note 32.

⁸⁹ U.T.C. §504(c).

⁹⁰ Early common law took the position that a spendthrift provision generally protects a distribution received by a beneficiary from attachment. *Bucknam v. Bucknam*, 200 N.E. 918, 294 Mass. 214 (1936); *Jackson Square Loan & Sav. Ass’n v. Bartlett*, 53 A. 426, 95 Md. 661 (1902); *Boston Safe Deposit & Trust Co. v. Collier*, 111 N.E. 163, 222 Mass. 390 (1916).

⁹¹ Restatement (Second) of Trusts §152, comment j. (any distributions received from a beneficiary were not protected by spendthrift protection). See also *Lundgren v. Hoglund*, 711 P.2d. 809, 219 Mont. 295 (1985); *Guidry v. Sheet Metal Workers Int’l Ass’n*, CA-10, 10 F3d 700 (1993).

⁹² LORING, A TRUSTEE’S HANDBOOK §5.3.3, at 171 (Rounds ed. 2004).

⁹³ Comment to U.T.C. §501.

Curiosity Creates Safe ...

continued from page 58

touch my heart.” We often think that vulnerability is a weakness to avoid. But I subscribe to Dr. Hammerschlag’s ideas that being vulnerable means that I do not cling to the false notion that I have all of the answers to ameliorate my client’s worries. I don’t. And that is not my purpose. What being vulnerable means is that I, as a professional, will provide my clients with an open and nonjudgmental environment in which to share their experiences and my unique wisdom. This is the essence of the safe space you want to create for your clients. There is nothing weak about

opening your heart. Quite the opposite; opening your heart is a powerful gift and it facilitates the flow of trust from one person to another.

Looking Good Does Not Mean Being Real

I once heard a financial advisor discuss his professional relationships and his practice. He proudly shared how all of the people who worked for him held him in reverence. He described how he commanded his ship to perform and that everyone acted with swiftness. He said that the physical distance he kept between himself and his staff, as well as clients, was noteworthy. Every so often, he made this comment, “I look good.” He told us of the beautiful environment in which he held his meetings, with its fine appointed antiques, woodwork and priceless artifacts.

As he continued to pontificate, I noticed that I became tense. My tenseness offered me an opportunity to wonder about my resistance to his words. His description made me believe that he was more interested in looking good than in being authentic. Client relationships require authenticity. The need to look good creates a barrier to intimacy, sharing and sincerity.

Cultivate the Art of Conversation

Conversation includes listening, making statements and asking questions. These conversations are the basis for the safe space we create for our clients. While this seems obvious enough, it is important to remember that poor conversations create failed relationships. If you listen beyond words and your client feels safe to share his ideas and goals, you

can work co-creatively toward the client’s goals for the future.

Good questions elicit more from our clients. A good question is, “Would you please say more about that?” This question allows your client to expand thoughts and beliefs without you leading the conversation and perhaps missing important details and understanding.

Conversation done well is an art. It is how we create safe space and build and maintain relationships with our clients, our staff and other professionals. Conversation is critical to discerning the needs of our clients. It transforms information into meaningful action.

Cultivate a Community— Become a Part of Something Bigger Than Yourself

Honoring ourselves as humans and the human need to be connected, we have an opportunity to support our work at its highest level. By expanding your connections to include unique groups, you will become energized and increase your opportunities for professional development and offer greater service to your clients and to your community.

Only When You Pay for Wisdom Can You Charge for It

Dick Wagner, a leading personal financial theorist, has stated: “We are in the wisdom business.” But in order to charge for wisdom, you must understand what it is like to pay for wisdom. Only when you gladly pay for consultation with a professional, because you understand the value of wisdom will you be able to charge for your own advice.

In the earlier years of our practice, my partner and I charged by the hour. The measurement of our wisdom was in time and had little to

do with the value we brought to our clients. When we charged by the hour, I recall a particular 20-minute conversation where my partner saved a client upwards of \$1 million in taxes by his wisdom and depth of experience. We were paid a little more than \$50 for that knowledge. In reality, my partner had years of experience and expertise in a complicated area that allowed him to effortlessly support this client in a way few advisors could have. The time it took my partner to acquire that knowledge was vast compared to the few minutes it took to dispense it. Conversely, during the same period of hourly billing, we had an experience of charging many hours for services that were a learning opportunity and that offered less value than we were charging to provide.

During our transition to retainer billing, we discussed at length “value compensation” versus accounting for our time. What we discovered was that some clients would not notify us about certain events in their lives because of the perceived cost, forgetting about the benefits. Frequently, we encountered problems due to this lack of contact, and we spent enormous amounts of time undoing mistakes that were made by our clients’ self management without competent advice. We realized that clients were paying us for fixing errors, which was not the business we wanted to generate. It was essential to us to be available to them without them having to worry about a specific time commitment. Most importantly, we realized that our working relation would be enhanced if we charged our clients a fee that better reflected our intention of being aligned with

them as opposed to one that perceptually looked as if it cost them to have access to us.

I am not alone when I state that some services of today will be the commodities of tomorrow. Our children have skills and tools that older generations have no interest or ability in cultivating. The one area in which I hold deep confidence is human relationships. Human relationships are timeless and essential. No matter how sophisticated technology gets, the need for human bonding will exist.

“Do One Thing Every Day That Scares You”

This quote from Eleanor Roosevelt is one of my favorites. Earlier, I mentioned that the primary emotion we deal with in our business is fear. The best way to relate to a client’s fear is to understand fear ourselves.

My partner and I were in a difficult meeting with a couple that was engaged in a heated discussion about finances and the escalating costs of renovating their home. Each of them was stuck in their unconscious money patterns, blaming each the other for the cost overruns. My partner attempted to move the conversation to solutions prematurely. I asked him what his strategy was for moving to a different subject. He said that the dispute between the clients made him uncomfortable and that he did not feel it was constructive. In hearing my partner admit his fear, our clients were able to shift their attitude and became more calm; the conversation transformed to much more meaningful discourse. If you can experience your fear and learn from it, you will be

more qualified to discuss and help your clients learn from their own fears. By acknowledging the fear, it can be overcome. Ignoring fear causes it to reemerge at every stressful opportunity.

Lead with What You Love and Let the Client Lead

Leading with what you love means that you deeply enjoy your work and your clients feel your enthusiasm. In the presence of a competent and enthusiastic advisor, clients feel safe to be present and lead. Trust your client relationships and let the client lead the way to the solution. If you are competent and authentic and the client knows you are interested in his circumstances, he will set the time and the pace for his solutions to unfold.

Become a Master of Yourself

All of the statements I express relate to the journey of self-discovery and the ability of this journey to open the way for your clients to explore, dream and plan. Through self-development, I have become open to new and different opportunities to learn, explore and grow. I believe my clients benefit from my development and my practice reflects this development and growth. By increasing self-awareness and the ability to listen and understand others, relationships are strengthened and business opportunities unfold. Along this path, I have realized that by being sensitive to my needs, I increase my capacity to deal with the needs of others.

Cultivating safe space is the new frontier for our advisory relationships. This is your call to become a pioneer.