

Couples Decision Therapy

There have been studies showing that financial issues are one of the primary reasons why married couples fall apart. A recent article in Market Watch suggests that the biggest reason for these significant disagreements is a failure to create a unified view of the financial future that both parties have agreed to. In many cases, one dominant spouse will make decisions on behalf of the couple, which can lead to disagreements (and potential divorce) down the road, as one spouse feels left out of the picture.

How can you come to a basic mutual understanding of your financial priorities? Even if you already have a financial plan, there may be areas where you disagree with the current one. Sit down with your spouse and write down the answers to a few basic questions. How would you like to live when you retire? What does retirement look like, in terms of activities, travel and your daily routine? Is helping the kids (if you have them) a priority? If so, how much support do you have in mind? What will it cost to achieve these various goals?

Both parties will almost certainly give different answers—which, of course, is where the conflict comes from. The next step is to look for areas of compromise. Create “must have,” “want” and “wish” lists, which helps prioritize where you might be willing to give up goals and where you want to stand firm.

After compromise comes evaluation. This may require amending your current financial plan, to see if you’re still on track to achieve your mutual goals. But the result may be more harmony, better communication, and a better understanding of what’s important to each other.

Source:

<http://www.marketwatch.com/story/how-couples-can-make-smart-retirement-decisions-together-2016-03-28>