

Lori Sackler gives 'The Money Talk'

BY HILLARY VIDERS, PHD
SPECIAL TO NORTHERN VALLEY PRESS
TENAFLY

No conversation is more challenging than what financial advisor Lori R. Sackler calls "The Money Talk."

The "M" word was the subject of Sackler's lively presentation at the Kaplen JCC on the Palisades in Tenafly on June 1 as she was interviewed by Jen Maxfield, a WNBC-TV reporter and adjunct professor at the Columbia Graduate School of Journalism.

Maxfield began by stressing how important the family money talk is to everyone today, and that "it will be important to my own children someday." She then introduced Sackler, who has an outstanding array of credentials.

Sackler is a financial advisor, senior vice president and senior investment management consultant at Morgan Stanley, where she leads the Sackler Group. Sackler, with her team, advises a select group of individuals and families on financial security, lifestyle and legacy concerns. Sackler is a certified financial planner, certified investment management analyst and certified public accountant. She is also the creator and former host of the radio show "The M Word" on W.O.R. in New York City and author of "The M Word: The Money Talk Every Family Needs to Have About Wealth and Their Financial Future" and "The M Word Journal."

Maxfield then proceeded to ask Sackler a number of pertinent questions about family finance and Sackler provided many helpful suggestions. She believes that it is essential for families to overcome communication roadblocks and create an ongoing process to



Famed financial advisor Lori Sackler (right) gave the "Money Talk" before a crowd in Tenafly. Also pictured is Jen Maxfield, a WNBC-TV reporter and an adjunct professor at Columbia University's Graduate School of Journalism.

PHOTO BY HILLARY VIDERS

keep family relationships and finances intact.

"One problem in our society," she said, "is that we don't discuss the importance of financial literacy. Kids are very smart. They see how we spend, how we use our money and how we save it, but we don't always talk to them about the topic. If there is a disconnect, they see that too."

She added, "In both my work as an advisor and my personal life, I've seen family stress around

money decisions, tearing apart both the family's finances and personal relationships because there wasn't adequate planning and communication. There is a 70 percent failure rate in transferring wealth across generations because

of poor communication. With \$59 trillion to be distributed over the next 50 years, that's a huge problem."

Sackler's "Money Talk" book and "Journal" examine situations that need all members of the family's involvement such as aging parents and their long-term care, retirement, estate transfer, granting power of attorney, families that merge due to divorce and re-marriage, sudden financial reversal, et cetera.

Sackler believes that when dealing with money matters, there are gender differences that researchers believe are linked to brain physiology.

"There are huge differences when it comes to personal communication, money values and risk tolerances. Women typically focus on long-term rather than short term gains and have greater commitment to planning around their children and life events."

Sackler also addresses generational differences.

"Millennials are very informed and more conservative than Baby Boomers. Their attitude towards money is closer to that of their grandparents because they have lived through 9/11, disasters like Hurricane Katrina and two major economic downturns. They have seen their families struggle and they are more cautious and less trusting of financial institutions."

Other financial factors that confront families are "Who is in charge?" "Whom do you trust?" "Will parents' assets be distrib-

uted fairly?" As such, Sackler strongly advises families to turn to an experienced, trusted and neutral professional advisor to help plan and facilitate money matters.

To avoid the problem of poor communication and guide families through difficult, emotionally charged conversations, Sackler created a five step checklist, a shorthand guide to having "The Money Talk." It includes:

- Step One: Reasons – Define the transitions in life you are facing and the issues and topics you have to tackle.

- Step Two: Roadblocks – Prepare the inner landscape by understanding and overcoming any roadblocks that might interfere with the money talk.

- Step Three: Prepare – Prepare the outer landscape by using professional communication techniques. Get yourself and your family ready physically, psychologically and logistically for the talk. Put yourselves in other people's shoes. Make it about what is in it for them-making sure right time, place and language.

- Step Four: Professionals – Ask for help. Pick the right professionals to guide you through life's transitions and the corresponding money conversations.

- Step Five: Repeat – Repeat as necessary. Create a process for repeated talks that can help keep your family and finances intact and even change the family culture around money conversations.