

## ***Managing Finances as a Couple – Approaching the Money Talk***

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As we progress through this holiday season, I remind myself to dedicate time to reflect on the things I am thankful for. Notably, Jillian and I recently purchased our first home together ([read about our homebuying experience here!](#)), and what was definitely a significant step for us as a couple was made easier by first establishing a foundation for managing our finances.

Relationships are about deliberate and consistent effort. As two people grow closer together, they learn more about, and hopefully come to appreciate, each other's quirks, values, and perhaps different ways of thinking. Accepting and coming to compromises over such differences is important, and the same holds true for approaching conversations about money as a couple.

Just as each client I work with has different circumstances and experiences that require a unique planning approach, so too does each couple have different comfort levels, relationship dynamics, and relative income levels that affect how they might best approach the discussions around finances. That said, here are some ideas that Jillian and I have found useful and may be applied to any couple wanting to improve their communications around money, whether you are cohabitating, are newlyweds, or have been married for 25 years.



### **Schedule a Time to Talk about Money**

Talking about money can be uncomfortable. This can be made worse if the topic is sprung on someone with no chance to mentally prepare for the discussion. Instead, work together to find some time, ideally free from distractions or interruptions, to have the conversation. Try to avoid times when stress levels may already be heightened, like right after one or both of you come home from a long day at work. "Planning to plan" allows for both partners to ease into the conversation ahead of time and mentally prepare at their own pace.

## Be Completely Honest and Reserve Judgment

Honesty is crucial for any relationship's long-term success. Likewise, honesty is essential for any productive discussion about money. If you are going to be combining finances, it is important that both partners are aware of and forthcoming about things like staggering student loans, credit card balances or impulsive spending habits. Likewise, be upfront about your concerns and don't be afraid to ask the hard questions. That said, voicing your concerns is not synonymous with bashing your partner's decisions or situation. The best way to promote transparency and productive discussion is by agreeing on it being a judgment-free space. The objective is not to assign blame but to work together towards productive solutions.

## Acknowledge Your Differences

Every person will have a different relationship with money, influenced by their own unique experiences. It can be tough to unpack years of conditioning that led a person to think about money the way they do. What's important is recognizing that these differences exist and finding a way to compromise in spite of these differences in order to work together towards a shared set of priorities.

## Plan How to Handle Arguments

Conversations about money can be difficult, but the difficult conversations tend to be the most important to have. One strategy you may consider using is allotting two or three minutes at a time where each partner gets a turn to express their opinions and ideas uninterrupted. This exchange may occur back and forth until common ground is found. If discussions do escalate into arguments, consider agreeing ahead of time on a way to signal a time out from the discussion. Try to remember that the goal in this discussion is not to be "the winner" of an argument but to address priorities and goals as a team.

## Have Regular, Consistent Conversations

Coming up with a game plan isn't a one-time conversation. Successful planning takes revisiting and repositioning as circumstances change and unforeseen events arise. Consider having monthly checkups with your partner. Evaluate what techniques worked, what didn't, and how you felt things went. Refine your approach with that feedback in mind and plan to meet again at a future date. Celebrate successes as goals are achieved and collaborate on creating new goals together.

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These ideas do not make up an exhaustive list, but they might be a good place to start. The conversations with your partner might not be the most comfortable or productive at first but look on the bright side—you and your partner will continue to improve at discussing and managing your finances together!

If you and your partner already have a handle on how to discuss your finances but want to bring in more expert advice on long-term financial planning, [feel free to reach out to one of our financial advisors today!](#)

From all of us here at Portfolio Advisors, I hope you have a safe and enjoyable Thanksgiving holiday!

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