

Stay Happily Married

A resource for married couples.

Creating a happy marriage is possible and this site is dedicated to providing resources to help couples who want to stay together. By providing information about qualified marriage counseling, we hope to encourage couples to get the help they need. The site also features articles, other websites, books, and workshops which offer the tools needed to create happy, lasting marriages.



Teaming Up to Conquer Your Finances

This is Stay Happily Married, Episode number 21, "Teaming Up to Conquer Your Finances."

Welcome to Stay Happily Married, your source for weekly updates on the latest tips and advice to build a happy and healthy marriage.

Today's episode of Stay Happily Married is brought to you by the Rosen Law Firm. For more information, visit us at Rosen.com.

Lee Rosen: Hi. I'm Lee Rosen, I'm your host today. Welcome to the show. I'm here in the studio with Bob Watral. Bob is a Vice President of Wealth Management and Financial Advisor at the Raleigh office of Smith Barney. Smith Barney is a division of Citigroup Global Markets Inc., member SIPC. Bob has been practicing for 22 years, has been married for over 25 years, and is the father of 3 girls.

Welcome to the show, Bob.

Bob Watral: Thanks, Lee. I appreciate being here.

Lee Rosen: Well, I am so glad that you could join us. You know, I hear from people every day that money is at the root of their problem, and you're the money man. So I feel like we've come to the source of sort of how do you deal with this. You say that you help people answer the question every day, "What's important about money to you?" What do you mean? Why are you doing that? How does that fit into your job?

Bob Watral: Well, in relation to couples and being a team, I know that my wife and I, we look at money differently. Teams are all about compromise and sitting down together and honestly asking each other what is important about money to you and being open and candid when you answer the question. It's like anything in life when you've got two people; you've got to be willing to find the middle

ground. And money is a tool. It can bring out the great in people and, candidly, it can bring out the worst in some people.

Lee Rosen: Right. Yeah. That's what I see all the time is people just -- it does bring out the worst. So you've been married 25 years. Have you got those -- is it something you figured out early on in the relationship being a money guy, or is it something you have to work on every year for the 25?

Bob Watral: It's like any team; you've just got to keep working.

Lee Rosen: Right. It's never resolved. It's a constant discussion.

Bob Watral: Never.

Lee Rosen: Well, I guess things are shifting throughout your life. You're looking at it from a different perspective; you're older, your younger, the kids are -- I mean, it must just be a never ending you have to keep working on it.

Bob Watral: It's like life. You move through different stages.

Lee Rosen: And so what is your title? Tell me a little bit about you. You work at -- what's the company called?

Bob Watral: Well, I work at Smith Barney; I've been there for over 22 years, gone through some corporate name changes.

Lee Rosen: Right.

Bob Watral: Probably 80 percent of my business is geared towards retirement planning and helping to pay for some kids' educations some day.

Lee Rosen: And every day you're sitting in a room with couples answering this question, helping them find the answers that are right for them.

Bob Watral: Yeah. We tend to -- as people put the cart before the horse -- hold the values conversation first with a couple, and then I actually hold it with each one separately asking the other spouse to respect the other's time. If one should interrupt, I just bluntly ask them, say, "Just please sit back, relax, and listen. You'll have your turn." And then once we've done that, then we sit there and talk about goals. What are the goals for this team as a couple?

Lee Rosen: When you didn't ask the people separately do people have a tendency to sort of -- one would run the other one over and you get

one opinion; dominant spouse would kind of say, "This is what we want"?

Bob Watral: Absolutely.

Lee Rosen: Then it's no team -- there's no teamwork happening there.

Bob Watral: Even at times I'll have to sit there. And, I'll be honest, I'm a guy and it's -- in 51 percent of the cases or more, it'll be him. And I just simply say, "Time out. You'll have your turn." and in fact I'll ask, "Which one of you would like to go first?" Usually he'll ask to go first, which is fine.

Lee Rosen: Right. Now, I wanted to get started with this whole idea of what is the biggest issue that you see couples having regarding their finances, regarding their money. What problems do they run into?

Bob Watral: When you get married it's no longer about "me," it's about "us." As someone said years ago, there's no "I" in the word "team." And it's all about compromise. It's not about managing my money anymore; it's about managing our money and that's totally different.

Lee Rosen: And so is that sort of the number one thing you bump up against is people that are still thinking about "me" and not about "us"?

Bob Watral: Early on, yes. What I see couples do a lot is they -- when they're married they -- some women change their maiden name to their last name. They take their assets, they register them jointly with rights of survivorship. They take their retirement plans, their insurance policies, things where you have named beneficiaries, and they change the designations to the respective spouse. And now they think they're done. Well, they've formed a team now, but they aren't working yet as a team from a financial standpoint.

Lee Rosen: So when you see that going on, is that the right time for you to get involved, for you to have these conversations with people? I mean, that's really early on in the relationship, right?

Bob Watral: Yeah. And I deal with a lot of couples or work with people that have been married for a long, long time. Money is sort of a taboo subject in our society and people get a little uncomfortable when they're talking about it. I just try to make people more and more comfortable because again, money is just a tool. And the more tools you have in your toolbox, well, the more you can do with them.

Lee Rosen: So you have these people that do what you're suggesting. They kind of make the team. They put everything in joint this and that and

they integrate it all. What are they doing as they move forward that -- what are they struggling with? The people that are having trouble, where do the struggles come in?

Bob Watral: A lot of folks have trouble checking their ego at the door. We all make mistakes. We make financial mistakes.

Lee Rosen: We don't want to talk about the \$3,000 tree house I had built that the homeowners association made us tear down. I'm still hearing about that one.

Bob Watral: That happens. Someone years ago suggested to me -- Lori and my wife -- when either one of us is considering spending more than a couple hundred bucks -- I mean, nowadays you can go to the grocery store and spend almost that.

Lee Rosen: The gas station.

Bob Watral: Thank God I have daughters and not sons. But we have an agreement that if either one is looking to spend more than a couple hundred bucks we at least just ask the other party about it. "Is this okay?" And it keeps you from making that four-digit, five-digit mistake.

Lee Rosen: Right. Or at least if it is a mistake, it was a joint mistake.

Bob Watral: And I am not an attorney, but there's a term in the legal field that I'm come to embrace and it's called "full disclosure." And as spouses, check your ego at the door, fully disclose; you make a mistake, whether it's financially or whatever, we're all human beings.

Lee Rosen: Do you have people coming into your office where the discussion, the first real discussion, is not happening with you in the room and these mistakes are being revealed?

Bob Watral: When I hold that values conversation, many times as I'm looking at the spouse who is currently not talking -- who I'm not having that conversation with -- you can look in their eyes and you can see them saying to themselves, "I've never heard this person say that before." It happens a lot; more often than you think.

Lee Rosen: Yeah. Well, like you say, the ego -- you don't want to reveal the things you've messed up. And everybody wants to keep the respect of their spouse; that's the last person you want to tell. But I totally get what you're saying, that you can't be part of a team, you can't

work together, if you have these kinds of hidden things that have happened, hidden mistakes. That just isn't going to work.

So what I'm wondering is, I'm getting a sense of strategies from you that people should use. I mean, obviously they should work as a team. They should reveal the mistakes. I love your idea of "let's run it by one another before we make --" whatever our threshold is for a big financial decision. What other strategies work for people?

Bob Watral: I'll fall back to my formal education as I was studying to take the certification exam to become a certified financial planning practitioner. The first course we used an acronym and it was an acronym EGPRIM. And this acronym is not just helpful when you're dealing with your finances, but really when you're considering any type of a project.

And it goes like this. The E is "Establish" your goals and objectives. As a couple, what are your short-term and long-term financial goals as a team? Two, "Gather" all the information you need. "Process" it; digest it. Put together a "Recommendation;" that's the type of things I do all day long. You "Implement" the plan; that's the I. And then you've got to "Monitor" your progress and make changes along the way.

I tell couples all the time that when you're gearing up financially it's like getting on the Interstate. As you go on the entrance ramp and you're building speed, you're burning a lot of gas. But once you get out in the center line -- and if you do like me, when it says 65 I confess I put it on 70 and on cruise control. But once in a while I have to make a lane change. But once I'm up to speed and going, it really doesn't take a whole lot of energy; you're really, really efficient.

Lee Rosen: Right.

Bob Watral: But EGPRIM. I use that acronym all the time.

Lee Rosen: Follow it. Work together on it.

Bob Watral: Yep.

Lee Rosen: And it does seem like if you're working together on a plan and you're following your acronym or any kind of system, then you're not heading in different directions, which I guess is at the core of the problem when people are not being a team.

Bob Watral: Right.

Lee Rosen: So you can't really have money dividing you if you're sharing these goals and plans and priorities. You're working together on it all the time. It's good advice.

Now, I'm wondering, in your practice -- I've had people that I've talked with that have been -- you talk about mistakes. I mean, inheritance coming in, \$1 million-plus, day trader, boom, money gone. All the money wasted, keeping the entire loss secret from the spouse. Do you see that kind of thing? Crazy, huge mistakes?

Bob Watral: I see it and human nature usually dictates that when something goes our way we'll tell a lot of people about it.

Lee Rosen: Right. That's my system.

Bob Watral: When something goes bad, I'm not going to go bragging about that one.

Lee Rosen: Right. So have you had clients that have come in that have made these giant mistakes that now are revealing them to their spouse and that they have been able to come together as a team and move forward?

Bob Watral: A couple of times. I haven't had too many times where when I'm there engaged with these folks that the genie comes out of the bottle; Pandora's Box opens up.

Lee Rosen: Right. Well, your background is with money, not with managing the whole marital meltdown, I guess.

Bob Watral: I am a financial professional. I'm not a legal professional, a tax professional, or a psychiatrist or psychologist.

Lee Rosen: Right. Although it sounds like being a financial professional is in many respects like being a counselor. Really you're talking about -- you have to be an expert at how to manage the money, but you really have to be an expert also at human beings and figuring out their goals and priorities and getting them to express them. That sounds like a real mental health kind of job in a lot of ways.

Bob Watral: You do feel at times as if you have split personality. I'm not a counseling professional, except in the financial arena; however I do find myself in situations where I say, "Do these people expect me to be a psychologist, a psychiatrist, a counselor?" I have to know when not to cross that line and, if appropriate, refer people to the professionals in those areas.

- Lee Rosen: Well, are there other things that we need to know? We're trying to figure out ways to really team up to conquer your finances. And do you feel like there are other things that people need to know in order to build that team and work well together on these things?
- Bob Watral: We have to accept the fact we live in a society that is consumer oriented. Most people -- most couples -- have more goals, more monetary goals, than they have money to invest towards. And that's why you have to compromise. I tell folks all the time, "You have to not only manage the asset side, you have to manage the liability side." And I professionally feel that not enough people treat debt like a lot of other four-letter words that you want to avoid.
- Lee Rosen: Right. We see a lot of that.
- Bob Watral: You should have a reasonable mortgage and all, but the levels of consumer debt out there are -- honestly, they're mind-boggling.
- Lee Rosen: Right. And the stress that that creates is mind-boggling.
- Bob Watral: Huge. Huge. Huge amount of stress.
- Lee Rosen: Right. And so staying out of debt is a huge priority in making this thing work.
- Bob Watral: And it is, and it's keeping a simple budget, too. One rule of thumb I use is every Friday I go to the bank, I get \$50 bucks; some of it is allowance money, the rest is pocket money and it's for Starbucks, stuff like that. That's what I've got the rest of the week. Could I afford to spend more than that? Sure. But that's --
- Lee Rosen: Keeps you on track.
- Bob Watral: Keeps me on track.
- Lee Rosen: Are you a cash guy? Are you one of these guys that says that you ought to deal with cash when you can?
- Bob Watral: I wouldn't necessarily take it that far, but I am the one that will say at the end of the month, pay off the balance on the credit card.
- Lee Rosen: Right. Makes sense. Well, anything else we need to know if we're going to make our marriages work from a money standpoint? Are we in good shape? I feel like you've given some good advice here.

Bob Watral: Fully disclose. Be honest with each other. As people we all make mistakes. As a couple, just be forgiving. Cut each other some slack.

Lee Rosen: Yep. Good advice. Well, Bob, I want to thank you for being with us today. I feel like I learned some things that I need to know. I've been married now 18 years and it's good to be reminded of these things because at my house I feel like we don't talk nearly as much about money and priorities as you say people ought to, and it makes sense. It just makes sense.

Bob Watral: Do we have time for one more thing?

Lee Rosen: Sure. Yeah.

Bob Watral: In my family I'm Rob, because my dad who's still alive is Bob Sr. I remember years ago my father looking at me and saying, "Rob --" when I was a kid and fighting with my two sisters -- said, "Listen, understand this. Before the three of you came along, it was me and your mother. And when you grow up and you leave the house, it's her and me again. So just understand this. I'll always put my marriage first and my children second." And those words, that advice, has always rung true.

I do not want to wake up some day when Jenna, our youngest who is 14, leaves the house and look at my wife and say, "Who are you?"

Lee Rosen: Right. I remember you from way back, but I'm not quite sure who you are. Right.

Bob Watral: That's the girl I met when she was 19 and I just wanted to always -- when she's 80 or 90 years old some day I'll still look at her as that 19 year old.

Lee Rosen: Right. Make your marriage your priority.

Bob Watral: Right.

Lee Rosen: Yeah. Well, thank you, Bob. I appreciate you joining us. I feel like you gave us some good advice on how to team up to conquer your finances.

And if you are interested in contacting Bob, let me give you his website. We'll have a link to it in our show notes, of course, but it's a tricky one. It's fa.smithbarney.com/watral. I always find Bob by Googling him at Robert Watral. I feel like I use Google to save all my links.

And I would like to thank all of you for listening and for working on your marriages. I hope you got something good out of this today. We would love to hear what you have to say, your comments about the show, comments about future shows, anything at all that you can give us as input. We have a comment line set up at (919) 256-3083. You can also e-mail us at comments@stayhappilymarried.com. Thanks for joining us and we'll see you again next week.

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