

Collaboration and the Role of the Neutral Financial Professional

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Collaboration involves two or more individuals putting their efforts together to achieve a common goal and/or separate goals.

If you're entering into collaboration with business partners, such as to develop a product or service or to form a musical band, your agreement would typically begin with outlining each person's responsibilities and expected contributions to the project. The agreement might address confidentiality issues, as well. Are you free to speak about your project with outsiders? If so, how much can you say and what can you divulge? A good collaboration agreement decides in advance what will happen if one or more parties decide they no longer want to be part of the venture, what happens when the project is completed, and how you'll deal with any resulting revenues.

In family law, a collaborative agreement has a slightly different meaning. Spouses planning to divorce can work together with a team of professionals to resolve the issues of their marriage. Collaborative divorce involves a series of meetings between spouses, their attorneys and jointly hired experts to give advice on financial or custody issues. Once a collaborative agreement is reached, it can be submitted to the court to avoid trial.

The Advantages of Collaboration

1. You each have more control over the outcome. You can voice your opinions and know that you will be heard.
2. You get to agree to settlement issues based on compromise and an understanding of each other's interests and needs instead of having a judge make the final decisions that affect your lives

3. It is less expensive than litigation. Attorney fees and court costs can add up quickly.
4. The process takes less time than litigation because you chose the time and place you meet instead of dealing with the timetable of busy divorce courts.
5. There is far less stress and anxiety involved because you are playing a more active role in the divorce.
6. The goal is to reach a settlement with dignity and respect and with the least amount of damage to the family unit.

Going through a divorce is certainly hard enough – if you have children you have to develop a parenting plan, you may be on an emotional roller coaster, and now you need to figure out how to “divide” your finances. These and other concerns all add to your stress levels.

The model of Collaborative Divorce offers a team of professionals who can help you create a successful path.

The Neutral Financial Professional is a Collaboratively trained financial expert who helps the couple evaluate their financial situation and develop creative solutions to complex financial problems. As a neutral, the financial professional has greater credibility in providing information and fostering a dialogue than an advocate. This makes it easier to reach mutually satisfying agreements.

Through the Collaborative Divorce process, we work simultaneously with both of you. We assist you in collecting appropriate and necessary financial information, help you understand your economic situation, and provide a structure and process for you both to discuss your concerns, allowing opportunity for questions and discussions. We are both a fact-finder and a facilitator, providing you with a “reality check” regarding possible settlement scenarios. We help create a safe space so both of your interests and concerns can be heard. We bring a calm, impartial and knowledgeable perspective to what can be an emotionally laden situation.

We work together to identify appropriate options, discuss and analyze the consequences, and together negotiate a win-win resolution that best fits your needs and goals.

KEY FINANCIAL AREAS TO CONSIDER:

- Supporting two households on income that previously supported one
- Workable and equitable division of property
- Tax issues
- Family support
- Business and pension valuations
- Real estate values and issues
- Recognizing that financial topics often involve very strong emotions

THE NEUTRAL FINANCIAL PROFESSIONAL HELPS PARTIES TO:

- Gather information about the family finances
- Identify, clarify, and prioritize financial needs, goals, and concerns
- Educate themselves about their financial situation
- Validate emotions when they arise
- Analyze income and expenses and assets and liabilities
- Address the financial arrangements necessary to support healthy children
- Evaluate possible settlement options with respect to short and long term consequences
- Assess tax consequences for different scenarios
- Help the parties make informed decisions on a level playing field
- Generate creative solutions to financial problems
- Communicate with the team and clients on financial matters
- Review marital settlement agreement as it relates to financial issues

THE NEUTRAL FINANCIAL PROFESSIONAL:

- Gathers all relevant financial documents
- Helps the parties identify and prioritize financial needs
- Prepares detailed financial reports for all members of the Collaborative team
- Educates one or both clients regarding the family's financial position
- Assists with developing a client's budget
- Raises awareness of need for other financial specialists
- Facilitates discussion of settlement options and analysis including tax consequences
- Prepares projections based on the different settlement options
- Brings the voice of financial reality to the discussions

Working collaboratively is effective. It is crucial to obtain appropriate expertise to help make your process more manageable.