

A Guide to Talking About Money With Your Partner



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*Express love. Be open-minded and non-judgmental.
Extend love to yourself and to others. Choose to be
loving whenever possible— it is always possible.*

Many of us were raised that talking about money is impolite, or that our personal and family finances are extremely personal and not to be discussed with others. Therefore, it's completely understandable that many of us do not possess the skills to have effective conversations with our partners about money and that conflicts inevitably arise because we are operating in silos, rather than as teams. This guide focuses on romantic relationships, but much of the information and suggestions also relate to business partnerships, roommates, and other financial relationships.

Learning how to talk about finances with your partner is a critical aspect of protecting your relationship. It's important to become aware of your own psychology of money (your thoughts, emotions, and behaviors around finances) and understand that your partner may have a very different financial style.

You will need to learn how to talk about money with your partner in a way that demonstrates mutual respect and collaboration. Be sure to have money conversations that cover topics such as financial priorities, financial values, debt and assets, budgeting so you can properly address any economic instability and promote financial health and financial intimacy.

Talking About Finances With a Partner Is Important

Talking about finances with your partner is important as it:

- Prevents money arguments
- Addresses and resolves economic instability
- Improves your financial health individually and as a couple
- Achieves shared financial goals such as buying a house, having a baby or saving for retirement

Healthy communication in a relationship is crucial especially when it comes to finances. In fact, financial challenges are one of the top issues couples address in couples therapy. After counseling individuals and couples for more than 25 years, I've discovered one of the main reasons that couples come to therapy is financial conflict causing relationship stress, financial anxiety, and financial mishaps that could be avoided through improved communication and collaboration.

According to a Ramsey Solutions survey, money fights are the second leading cause of divorce, behind infidelity.¹ High levels of debt and a lack of communication are major causes of stress and anxiety regarding household finances.

According to a Northwestern Mutual study², while 68% of Americans claim to feel happy about their financial situation at least sometimes, many also consistently experience a range of negative emotions such as:

- Anxiety (54%) (25% “all the time” or “often”)
- Insecurity (52%) (24% “all the time” or “often”)
- Fear (48%)
- Stress (44%) [F2]

I've seen in my practice that when one partner is financially literate and the other is not, this can lead to an imbalance of power and control in relationships that can lead to resentment, poor communication, and a lack of feeling like a team with a mutual money mission. Commit to learning and growing together.

People who aren't aware of their spending, debt, interest rates, or the fees they are being charged, may be in financial denial. Denial can cause someone to live beyond their means and outside of their financial reality. But, when your partner doesn't have a clear picture of your joint finances because you are withholding information in some way, financial priorities can become skewed. It's time to have money conversations with your partner.

Ten Tips for Talking About Money With Your Partner

If you are married, dating, or in a long-term relationship, you need to learn to talk about money with your partner. In over 25 years practicing as a therapist, I've seen many clients struggle with healthy ways to approach the difficult topic of money in a romantic relationship. At first, starting money conversations may seem awkward. But, once you each disclose your financial situation, financial priorities, and financial values, it becomes easier to talk to your partner about finances. You and your partner can experience financial intimacy when you and your partner are honest about your beliefs towards money. But, how do you get there?

1: Be Respectful and Kind

Because self-worth is directly related to money, money conversations can trigger feelings of insecurity or inadequacy. Communicate in a way that is honest, direct, clear, and demonstrates respect for yourself and others. Whenever you feel superior or inferior to anyone, that's the ego in you. When you detach from your ego, it allows you to separate from those harmful aspects. So speak with diplomacy and be mindful of your partner's feelings about differences in debt, earnings, or financial literacy. Practice compassion for your partner.

2: Reflect Empathy, Compassion & Respect for Differences

The beliefs we learned in childhood about money can drive our financial behavior today. Our parents' beliefs about money can influence how we approach finances in a relationship and even how we view financial security. Gender plays a role too. According to the U.S. Bank Survey³, women value financial security, but worry more about retirement than men do, with nearly half of respondents (49%) fearing that they won't have enough versus 32% of men. Women also appear to be less confident than men about managing money.³ Considering men and women have different strengths and weaknesses when it comes to their perspectives on money, couples need to take the time to learn to listen to each other. When you are open to compromise with your partner about money, you can work together to find the best solution for both of you.

3: Be Honest & Transparent

When you are genuinely honest with your partner, you share both big things and little things in your life. When it comes to honesty about finances, researchers in a recent study found that:

- 85 percent of participants in romantic relationships had hidden or lied about spending at least once before
- 59 percent had hidden or lied about savings, and
- 40 percent had taken on debt and not told their partner about it.⁴

Dishonesty can lead to increased financial stress or arguments in a relationship. According to research, 23 percent of adults and 36 percent of millennials experience financial stress at levels that qualify for a diagnosis of PTSD⁵. This is of great concern because not having enough money keeps our physiology amped up practically all the time. Without the chance to recover, long-term stress releases hormones that can wear down the mind and body causing psychiatric issues, diabetes, heart disease, and other health concerns.⁵

Financial infidelity happens when you expect your romantic partner to disapprove of your financial behavior so you intentionally don't mention it. Common examples of financial infidelity include hiding excess income or secret savings accounts, lying about how much debt is in your name, or making secret expensive purchases. Having open and honest communication about finances, debt, and spending habits can help rebuild trust in a relationship.

4: Structure Your Money Conversations

Set aside a regular time to have money conversations with your partner reserved for emotional communication and working through money conflicts in healthy ways. By doing so, it makes sure you stay on the same page in your relationship. You may or may be familiar with structured conversations which is a conversational practice that involves warming up, practicing skills, and ending with positive reinforcement.

Structured conversations provide a format where each person knows and agrees to show up at a specific time to address an agreed-upon issue in the relationship.

5: Stay Calm

Use mindfulness strategies to calm your mind and promote a relaxed and collaborative atmosphere for resolving problems. Across hundreds of cultures and thousands of years, the breath is believed to tie together the mind, body, and spirit. By slowing and deepening our breath, we can calm our minds and relax our bodies and bring our attention to the here and now. Anytime you can notice and connect with your breath, you are cultivating mindfulness.

Mindfulness can also help people clarify their values and recognize what is meaningful to them, thereby reducing impulsive financial behavior, such as charging frivolous items on credit.



6: Discuss Earning & Spending Behaviors

Is it possible to make your relationship work when you and your partner aren't financially compatible because of how you view and spend money? Maybe you have different spending habits and earning potential. No matter how big or small the differences are, start by having an honest and open conversation about your financial status early on in the relationship. When you begin by having a conversation about credit card debt or student loan debt, you are being vulnerable. And building trust. Identify areas of strength and needed improvement. Discuss your financial values and establish financial priorities as a couple. Create an action plan to achieve those goals with a timeline and manageable objectives.

7: Choose Your Battles

Acknowledge that as a couple, you have different opinions and beliefs. Respect that and have a money conversation about your financial boundaries that you aren't willing to let them cross. Be assertive and transparent with your communication. But, don't manipulate your partner by trying to make them behave like you do or how you want them to. By both you and your partner becoming clear on those financial boundaries, it makes it easier to have money conversations with your partner. Recognize you won't win every battle, so choose your battles wisely keeping each other's financial boundaries in mind. Zoom out and focus on the bigger, global issues (like spending beyond your means), rather than zeroing in on the minutia (like the expensive concert tickets your partner recently bought).

8: Make It a Habit

Schedule a regular date night or financial check-in with your partner where you mainly focus on finances. You can plan these dates in a time span that works best for you two. Some choose to meet each month while others choose weekly. By consistently keeping these date nights on your calendar, you're not only putting time, energy, and effort into your finances but keeping the lines of communication open. The more routinely you meet, the more you will stay on top of your finances and stack on track to meet your goals, such as getting out of debt or saving for a vacation.

9: Determine Different Ways to Organize Your Finances

You'll want to explore ways that will make talking about money with your partner in the most effective way possible. Here are some issues to discuss and agree upon:

- Which of your money and bills are kept separate and which are combined together. Different couples have different ways of organizing their finances—some keep everything separate and live like roommates, some combine everything, and others agree on some combination of the two. When you keep the lines of communication open, you can more easily resolve conflicts around money.
- A system for managing your money. Are you going to use software such as Quickbooks or sites like Mint.com or an app like Rocket Money? You should have some agreed system for managing your joint finances.
- Who is responsible for what? Figure out who is good at what when it comes to money. One of you may be better at budgeting and money management while the other is better at doing the taxes or exploring opportunities for increasing your household earnings by investing. By dividing up the tasks, you can make sure that you are covering all financial bases.

10: Celebrate Your Successes

Some people don't start talking about finances with your partner because they believe these types of conversations are all about addressing financial problems. That's not true. It's important to celebrate your successes along the way to keep the focus positive. That's why I encourage regular money conversations. They help you work as a team and reach shared goals so you can live a greater life. We all deserve to achieve a life we deserve filled with inner peace, support, and financial success.



How to Start a Conversation About Finances With Your Partner

If you're not on the same page about finances with your partner, it can be hard to bring up the topic. Nobody wants to bring up a difficult or potentially awkward conversation and initiate what could be an argument. However, if you want a healthy relationship with your partner, you need to come to some agreement about how you manage your finances.

Here are some tips for starting a conversation about finances with your partner:

- **Set a specific time.** Don't only talk about finances in the heat of the moment when there is a problem and emotions are running high. It is good to choose time boundaries for a start and an end to the conversation (30-90 min is recommended at a time).
- **Identify issues to discuss beforehand.** Choose a theme to discuss. Maybe it's holiday spending, looking at future financial goals, or deciding if it's time to purchase a new vehicle.
- **Pick a day and time where you are both refreshed.** Sunday at 11 am might be a better time than Wednesday at 9 pm when you are both frazzled from the work week. Make sure you aren't hungry, angry, or under the influence of drugs or alcohol when having the discussion.
- **Consider having the meeting in a neutral location or public space.** Having the conversation at a coffee shop or library might reduce the likelihood of raised voices or emotions escalating to an overwhelming level. Being in a neutral location might remove triggers such as the stack of bills on the desk or the broken appliance that needs to be replaced.
- **Set a positive intention.** Rather than approach the conversation as a battle, set a positive intention for the conversation. For example, the intention to devise a creative compromise to resolve a recurring money conflict so that you can have a more peaceful and happy relationship.

When to Seek Professional Help

It's time to seek professional help if you and/or your partner are experiencing:

- Frequent or very challenging conflicts over money
- Inability to find a compromise that you both feel good about
- Financial imbalance or inequity
- Financial abuse in marriage
- Financial avoidance behaviors
- Lack of accountability and follow through

If talking with your partner about money becomes frustrating and overwhelming and compromise doesn't appear likely, consider seeking professional support. Benefits of therapy include improving our well being by recognizing and changing unhelpful money scripts, money stories and self-limiting thought patterns and self-sabotaging behaviors.

Therapists can assess client's money scripts during the data-gathering process so they can start the conversation around the impact that money beliefs have on financial success.

Cognitive behavioral therapy (CBT) techniques include thought records, applying mindfulness to finance, and concepts from narrative therapy to help people become the author, and not merely the protagonist of their money story.



Homework

To better approach finances in your relationship, consider seeking out one of the following options:

- Promote your financial literacy together: Take an online personal finance course, enroll in a class at your local community college, or attend a seminar at your bank or credit union. Attend as a couple to promote your financial literacy together. Listen to money podcasts or financial audiobooks together. This will increase your comfort level, knowledge base and confidence in learning how to talk about money with your partner.
- Couples and marriage counseling: couples counseling can give you a safe space to have money conversations and a neutral mediator help resolve any financial conflict. You can find a couples or marriage counselor through an online therapist directory such as Choosing Therapy or Psychology Today, doctor referral, or family referral. Financial therapists are therapists who specialize in money conversations.
- Financial advising: Having a financial planner or advisor as a mediator can be very helpful if you and your partner have different financial styles—perhaps you are a saver and your partner is a spender. They can help ground you in reality and find a happy medium so you can have effective money conversations. Financial planning occurs in manageable baby steps: 1) establishing an emergency fund, 2) paying off debt, 3) investing for the future.
- Work the Financial Mindset Fix Program as a couple: My book, *The Financial Mindset Fix: A Mental Fitness Program for an Abundant Life*, is a program with self-assessment tools and exercises to help you and your partner become more aware of your psychology of money and learn to collaborate together to cultivate an abundant life involving mental wellbeing, work-life balance, connected relationships and financial prosperity. Couples who complete the exercises together report the most successful outcomes.

Final Thoughts

Learning how to talk about money with your partner in a way that is open and honest conversations can be challenging but is essential to a solid relationship. Healthy communication during money conversations is a skill that can be practiced and developed. My hope is that this guide will provide you with the support you need and deserve to develop financial intimacy and a successful shared financial life.

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