Executive Summary

- Financial planners have always consulted with their clients concerning their goals, typically from the point of view of money goals rather than life goals. Today’s complex economic environment, however, requires a deeper and more realistic approach. The advisor and the client must build higher levels of rapport, a life planning relationship based on trust and greater self-knowledge.
- Growing out of earlier research by the author, this article examines a new structural pattern that underlies the life planning relationship. It employs a five-phase process using the acronym EVOKE: Exploration, Vision, Obstacles, Knowledge, and Execution. A case study is interwoven throughout the article to better illustrate the application of EVOKE.
- Phase One is Exploration. The open-ended questioning here places the client, rather than the client's assets, at the center of the professional relationship.
- Phase Two, Vision, starts to dig more deeply into the client's underlying values, in part by posing three thought-provoking questions: what would you do or change if you were (1) financially secure, (2) had five to ten years to live, and (3) what you would regret if you had 24 hours to live.
- Phase Three examines something often overlooked or skipped in the planning process: external and internal Obstacles to the plan.
- In Phase Four, Knowledge, the planner takes the lead in integrating his or her financial expertise with the life plan.
- Phase Five is the final phase, Execution, in which the planner ensures the plan is brought to fruition.

George Kinder, CFP®, is founder of the Kinder Institute of Life Planning, author of The Seven Stages of Money Maturity, and director of life planning for Abacus Wealth Partners.

Susan Galvan is co-founder and CEO of the Kinder Institute of Life Planning in Pleasant Hill, California. More information may be obtained at www.Kinderinstitute.com.

Financial planners have always consulted with their clients concerning their goals, typically from the point of view of money goals rather than life goals. Quantifying future goals and doing a technical analysis of factors such as risk tolerance, age, and retirement income needs have been the norm. Moreover, a client's internal messages about money can sabotage even the best of these financial plans.

Today’s economic environment is, however, complex, and inspires an approach that is both more nimble and more penetrating. Views of retirement—what it is and how it may look—are rapidly changing. Opportunities to re-vision the future at any age exist for both client and planner, allowing a joint exploration of meaning and purpose in the client's life. To allow this deeper and more realistic approach, the advisor and the client must build higher levels of rapport, a relationship based on trust and greater self-knowledge.

This article advances a new five-phase model that provides practical ways to incorporate a life planning approach that fosters greater awareness of both life goals and persistent obstacles, all within a context of empathy and trust. With the greater clarity and intention that result, the advisor and the client are then ready to do the financial analysis and plan design that will most aptly support "the life that wants to be lived." The client/planner relationship is securely anchored, and it is unlikely that the plan will be abandoned or placed at risk. To better illustrate the application of this model, a case study is interwoven throughout the article.

How We Got Here
The notion of incorporating a deeper and richer understanding of a client’s heartfelt dreams and values in life emerged out of the work I was doing with my clients more than 20 years ago. First as an accountant, then later as a CFP practitioner, I found it necessary to question my clients in-depth in order to uncover potential tax savings and planning opportunities. In the process of this questioning, clients would often become emotional as they discussed issues and conflicts around money. I began to realize that many of my clients were relating both to their financial circumstances and to their life goals on the basis of fragmentary beliefs about money, usually formed in childhood. Because these beliefs were incomplete and immature, they invariably led the client into pain and confusion. Operating beneath the surface of awareness, these beliefs formed a subconscious operating system, which shaped conscious choices and behaviors, often to the dismay of the individuals involved, who couldn't figure out why mastering money and achieving their life dreams was so difficult.

Intrigued by what I was discovering, I began exploring what I then termed "the human dimension of money." Out of that exploration, I began to formulate the principles detailed in *The Seven Stages of Money Maturity*, a book in which I describe the "structure of suffering" that results from early, unconscious notions about money and how it works (Dell Publishing/Random House, 1999). In the book and in the two-day Seven Stages of Money Maturity® workshops I subsequently developed, I also describe "the hero's journey"—the process of transforming those limiting notions through increased knowledge, empathic understanding, and vigor. This personal journey leads to greatly expanded freedom and integrity, empowering the individual in relation to money.

**Discovering the Heart's Core**

One of the essential elements I discovered in the Seven Stages process is the uncovering of the individual's most heartfelt aspirations, purpose, and meaning in life. As I observed clients getting in touch with these core values, I began to realize that these should form the basis of the financial plan. Any plan that did not take them into account would be working at cross-purposes with clients' deeply held values, and therefore far less likely to succeed. As I began to apply this process to my financial planning clients, I observed some remarkable results.

Clients who felt "stuck," whether in their financial or their personal lives, got energized by the process and actually took the steps needed to transform their lives. In financial terms, they began to accomplish their financial goals. They held to the plan through thick and thin because it supported their heart's core. With logic and emotions aligned, sticking to a budget or investing in a disciplined fashion were no longer burdens—they were a joyful expression of commitment to one's true values. On the other hand, if a client tended to hoard money inappropriately, getting in touch with their heart's core produced the freedom they needed to spend and direct money in a way that truly enlivened them.

To fully understand and appreciate the "heart's core" of each client, I kept refining the extensive questioning process I'd developed with my tax clients. This served me well in gaining greater knowledge of my planning clients. I also soon discovered that the more clients revealed to me based on my interest in their personal goals (as opposed to merely money goals), the more they grew to trust me. By bringing the life dreams of the client into the relationship and developing a financial strategy built around them—what I termed "life planning"—a relational bond was forged that proved elastic enough to withstand changing—even potentially challenging—circumstances.

**A Life Planning Methodology Emerges**

Building upon these core concepts, I have continued to evolve a model for influencing this dynamic shift in the client/advisor relationship. Recently, I discovered a structural pattern that underlies the life planning relationship, starting with the initial client interview and moving all the way through the delivery and execution of the financial plan.

I call this evolved five-phase life planning process EVOKE, an acronym for the stages in the process: Exploration,
Vision, Obstacles, Knowledge, and Execution. The model encompasses the five phases of the planning relationship, and looks at them from three perspectives: the planner, the client, and the relationship itself. Figure 1 illustrates the EVOKE process.

**Phase One: Exploration**

Beginning with open-ended questioning places the client—rather than the client's assets—at the center of the professional relationship. This approach demonstrates that the planner is genuinely interested in knowing who the client is, the client's purpose in coming, and whatever other information may be relevant or helpful in determining whether this particular planner and client are well suited for working together within the framework of a life planning approach.

While some planners use questionnaires to focus the initial interview, I prefer to ask two questions: "Why are you here?" and "What would you like to see happen in this meeting or in the series of meetings we might have together?" By listening closely as the client responds to these inquiries, the planner discerns areas of interest for further inquiry and exploration. This technique of carefully listening and following up on the client's thoughts will frequently unearth issues relevant to the planning process that might never have been mentioned in a standardized questionnaire. It also serves to get us grounded in a very human way.

Throughout this phase, the planner continues to ask open-ended questions, gently narrowing the focus at the client's lead. The planner should rarely take control by imposing his or her own views until near the end of the meeting. Even then, the planner should continue to include the client by asking the open-ended question, "Is that all?" until the client appears to "be complete" and relaxed. The planner's goal throughout the entire meeting is to create a bond with the client, moving the client from an anxious state into a relaxed state. Planners do this by being genuinely interested in and open to whatever is most important to the client.

The client has the experience of being with a truly interested professional, who is seeking to fully understand how to best serve him or her. Using reflective listening, planners let clients know that they are really hearing them. By shaping additional questions to follow up on what has already been disclosed, the planner helps the client realize that the planner is genuinely interested in knowing him or her more fully. Because the conversation never becomes intrusive or demanding, the client eventually is able to relax, feeling comfortably in control of what is revealed and what is withheld.

At this phase, if all has gone well, the relationship takes the form of a tentative bond between the two participants (see sidebar on the Exploration phase). The focus of the meeting has centered almost entirely on the client, on his or her goals for the professional interaction, and whatever other more personal information may have surfaced during the exploratory discussion. This lays a foundation for the next phase of the relationship.
Phase Two: Vision

In the second phase, the planner begins to probe more directly into underlying issues that will be relevant to the planning process. The planner will have asked the client to send or bring in all relevant financial documents, and will have reviewed these documents before the meeting. After gathering pertinent family information, the planner then explores three questions with the client:

1. I want you to imagine that you are financially secure, that you have enough money to take care of your needs, now and in the future. How would you live your life? What would you do with the money? Would you change anything? Let yourself go. Don't hold back your dreams. Describe a life that is complete, that is richly yours.
2. This time you visit your doctor who tells you that you have five to ten years left to live. The good part is that you won't ever feel sick. The bad news is that you will have no notice of the moment of your death. What will you do in the time you have remaining to live? Will you change your life? How will you do it?
3. This time your doctor shocks you with the news that you have only one day left to live. Notice what feelings arise as you confront your very real mortality. Ask yourself: What dreams will be left unfulfilled? What do I wish I had finished or had been? What do I wish I had done? What did I miss?

In listening closely to the responses to these three questions, the planner begins to understand the most deeply held values and longings of the client. (See sidebar on the Vision phase.) Answers to the first question generally evoke the greatest number of responses, giving full scope to dreams and aspirations of all kinds. Answers to the second question tend to go deeper, and more often revolve around family and other relationships or life dreams that may have been postponed or neglected. Answers to the third question typically evoke the deepest, most profound responses, and thus indicate where the financial plan needs to be focused. The responses to all three questions, when viewed together, form a kind of gestalt (or cohesive view) of the client in terms of heartfelt values and aspirations for life.

By the time the planner hears the answers to the third question, he or she has come to know what is most meaningful and significant in the client's life. The planner can assess how well the client is currently living what truly matters to him or her. And finally, the planner knows what financial resources the client has available to support a life that matters as well as what financial obstacles must be addressed. The real question at this point is: How close or how far away is the client from living his or her dreams?

For the planner, the second phase of the planning process—the Vision—requires both sensitivity to the client's increasingly emotional input and an ability to hold open all sorts of possibilities without prejudgment of their viability. In fact, it is essential that the planner be positively inspired by the client's dreams, bringing enthusiasm and confidence by assuring the client that these longings can be the centerpiece of their financial plan. At this stage of the relationship, the planner is providing two kinds of emotional support: empathy, which is sensitivity to the emotional importance of the answers to the three questions, particularly the third; and inspiration, bringing excitement and confidence about the achievability of those goals that will make the client's life truly worth living.

The empathic response, along with the planner's willingness to explore unrealized dreams, allows the client to first become more receptive, because he or she is being fully received, and then to become inspired as buried visions for a meaningful life are brought into the light and supported by the planner. This shift is catalyzed by the planner's enthusiastic commitment to the most important dream uncovered, and strongly stated intention to make it the full focus of the financial plan.

This phase of the life planning process brings about a cementing or confirming of the bond between planner and client. The client feels "heard" at the most profound level, and the planner feels the privilege of this depth of knowing. With the client's most essential aims revealed, both participants find they are now aligned in terms of
the purpose of the financial plan.

They are not, however, at the design and development phase. First, the most critical phase of the planning process must be navigated successfully. (Table 1 summarizes characteristics of the five life planning phases.)

### Phase Three: Obstacles

The third step in the life planning process is the one most often overlooked or skipped—to the future detriment of the plan. It is not an easy one to navigate, for either planner or client. This is the phase where obstacles to the implementation of the emerging life plan must be identified and resolved for the plan to succeed, for the heart's core to be realized. (See the sidebar on the Obstacles phase.)

Obstacles may be discovered in real-life restrictions or conditions as well as in the client's inner perceptions and patterns. Both must be addressed if the plan is to succeed. With regard to external limits or considerations, a variety of possible alternate financial strategies will be developed. At this juncture, the planner may have a strong impulse to jump in and be the problem-solver, like the hero who saves the day. I have found, however, that while challenging the client it pays to take a different approach.

Here are the words of a planner who has trained with me:

As a planner, it makes sense to have [clients] generate some of the solutions, with my part being to help inspire and challenge. So, while I'll be enthusiastically supporting them in their dream, I may also ask them to explore for the next meeting how they might generate $8,000 more in income or less in expenses. I'll give them a few creative ideas of my own, but they go home and often come up with a solution that surprises me. This is a practical approach that puts less hours on me and more responsibility on the clients.

The client's internal obstacles can also be identified during this phase of the life planning process. If they are rooted in innocent beliefs from childhood or painful money experiences in the past, the planner may use some of the exercises learned in The Seven Stages of Money Maturity® to help the client move to a more mature understanding of himself in relation to money.

For the planner, the Obstacles phase requires a dual approach: challenging assumptions and belief systems, while at the same time offering strong reassurance that the inspiration gained at the Vision phase can indeed be implemented.

Using the tools of traditional financial planning—cash flow, budgets, investments, tax planning, and risk management—the planner merges heartfelt goals with multiple alternate scenarios.

For instance, imagine a client who has a high-demand, stress-filled job that pays well but leaves little time for rest, let alone for family time. The children are rapidly approaching adolescence, and the years for taking time to really know them and participate in activities with them are melting away. Yet the career trajectory demands an
all-out effort, and seems to offer the best hope of fully funding college educations for the children. In the answers to the third question, the client's most painful regret is never having made much time for the children: for teaching, playing, working side by side, for just hanging out.

By making "memorable time with the children" the central focus of the financial plan, the client and the planner outline the obstacles together. Some are obvious; others may be less so. For instance, there will have to be changes in relation to work, if time is to be freed up for family. This could affect long-range financial goals such as college funding. The client and spouse will need to carefully consider their priorities in terms of current expenditures versus their more profound goals.

Would the increased time together be worth moving to a less expensive home or neighborhood, now or in the future? If only one spouse is working, could the other one produce additional income by returning to the work force in a part-time job (which might also help that spouse begin to meet some postponed dreams)? Can the children be enlisted in a family effort to focus first on time together, even if it means sacrificing some extracurricular activities such as expensive camps, field trips, brand-name purchases, and extravagant vacations? Are there unrecognized tax savings that could be implemented? Or assets that could be sold, such as recreational vehicles or equipment that is rarely used?

Once the dialogue addressing obstacles begins, clients will usually come up with inventive solutions or strategies that make sense to them, ensuring that they will feel full ownership of the final plan and its execution. The role of the planner is to challenge any defeatist attitudes, constricted thinking, or unrealistic timelines (things that are so far out as to guarantee failure), by being confident and reassuring that solutions can be found and the heart's core goals can be achieved sooner, rather than later. This will involve brainstorming and creative thinking on the part of both planner and client, to stimulate new ways of approaching the goals. As strategies begin to coalesce, the planner then assists the client by both applauding and fine-tuning these solutions so that they are in effective alignment with the goals as well as practical in execution.

At first, what the client experiences at this stage is increasing anxiety. This may come as quite a letdown, following as it does on the heels of the exhilaration of the Vision phase and the inspiration it evoked. But when the planner remains steady and confident in the face of whatever obstacles have appeared, the client is more willing to dig in and do the necessary work of finding a way through. In a sense, the client borrows hope from the planner—hope that the obstacles can be resolved and the true aims can be forwarded. By the end of this phase, the client has done the necessary work that leads to a genuine commitment to the final plan. With a clear knowledge of what is possible and what may obstruct the plan, along with strategies for moving forward, the client feels a sense of command and control in relation to the emerging plan.

The relationship has now been tested and tried. The flexibility and strength of the bond between planner and client has endured the tensions and stresses of working out the difficulties. This gives the client a firm base for confidently dealing with future obstacles as the plan unfolds, without losing faith in the final execution.

**Phase Four: Knowledge**

At the fourth stage of the life planning process, the client moves to the background for the first time, as the financial planner takes the lead on integrating his or her own financial expertise with the elements of the life plan. It is at this point that it becomes increasingly clear why life planning has developed within the financial planning profession. Other professionals may be able to assist clients in the first two stages of the model, but only the trained and aware financial-life-planning professional can guide an effective navigation of the Obstacle phase, and then strategize an integrated financial plan that will successfully implement the vision and make it a reality. Because there is now a relationship of genuine knowing and trust, and a sense of partnership, the planner is in a unique position to provide the essential money-based strategies that will actualize the goals and elicit full buy-in and implementation by the client.
When the plan is presented to the client, with full acknowledgment and practical empowerment of the client's heartfelt vision for a life worth living, the client moves into a state of confidence. Dreams can—and will—become reality. The client knows this because they can see the step-by-step development outlined in the plan designed by their financial advisor. It is, after all, tailored to the client's own unique set of circumstances, as thoroughly known and understood by the planner.

With the presentation of the plan and the sign-off of the client, the relationship enters a new phase, characterized by mutual trust and accountability as the plan enters the Execution phase. The client is the expert on his or her life's purpose, while the planner is the expert on the financial elements of the plan, and they have worked intensively together to fuse their expertise into a single plan that they will both actively work to execute.

**Phase Five: Execution**

The final phase, Execution, is where the rubber meets the road. When the first four phases have been thoroughly developed, the execution of the plan will proceed smoothly based on the mutual trust and accountability of client and planner.

During the early days of the Execution phase, the planner will serve the client primarily as a coach, following up and encouraging, even applauding, as steps in the plan are implemented. Over time, the planner will primarily interact with the client in terms of getting together periodically to monitor and update the plan. They will also reconnect as people who are partnering for their mutual enjoyment and benefit.

For the client, the execution of the plan may well bring a sense of elation—a renewal of vigor—as inner and outer aims move into closer alignment and a sense of integration grows. Over time, this develops into an experience of accomplishment. If and when vigor begins to ebb, that becomes a signal to revisit the life plan, to discover if perhaps a new direction is ready to emerge. With a knowledgeable ally readily available, the client knows that any new obstacles can be addressed. New aims can be supported. He or she is now a "client for life."

**Case Study: Bill and Sarah in the Exploration Phase**

During my first appointment with Bill and Sarah, I began the meeting with my usual question: "Why are you here?" Bill led off the conversation by telling me they had recently come to the realization that they would soon have an "empty nest" as the last child, who had been attending college nearby while living at home, was about to graduate.

In their mid-forties, Bill and Sarah have raised three children while pursuing careers in separate fields. Having fulfilled many of the goals of their youth—a home, children, and satisfactory career growth—they are now looking toward their remaining years before retirement. They are looking for guidance in clarifying their goals and aspirations for this phase of their life together. Financially, they have prospered, although college was a heavy burden. Now they are feeling some freedom to expand and explore as individuals and as a couple. But they've been so immersed in all their activities and responsibilities up until now that they really do not even know how to think about the upcoming years or how they want to spend them. Sarah chimed in, agreeing with Bill, and added that she's feeling both sad and liberated as she thinks of the transition ahead.

As we talked, I noticed that they made eye contact frequently, smiling and laughing together, occasionally touching hands or arms affectionately. Both seemed relaxed and eager to explore what lay ahead. When I asked them what they wanted to accomplish in this meeting, Sarah said they wanted a comprehensive analysis and overview of their finances in relation to retirement, risk management, and other financial needs so they could better gauge just how much freedom they might have in planning their future. I explained to them how I explore their goals and life dreams first, and then integrate the financial considerations once we have a clear vision of how they want to go forward. Otherwise, I explained, the financial considerations might prematurely restrict our
visioning and planning.

Just as our meeting was ending, Sarah volunteered—almost as an afterthought—that she had had two years of recovery from breast cancer. And then they were out the door, with three questions I'd given them as homework for the next meeting. (See "Phase Two: Vision.")

Case Study: Bill and Sarah in the Vision Phase

At our second meeting, I asked Bill and Sarah to read aloud their answers to the three questions. Bill went first. On the first question, in which they imagine themselves financially secure, Bill had two primary interests if money were not a concern. The first was travel, with a focus on sports. He enjoys windsurfing and would like to learn hang gliding, and then go to breathtaking locations to participate in both activities. His second interest was inventions. He likes to tinker in his shop and come up with handy tools and gadgets. Without the pressure of a job, he would enjoy these two activities.

In the second question, in which they have five to ten years of life remaining, Bill spoke of spending more time with siblings and their families, his aging parents, and traveling with his wife to destinations of her choice. He also would hope to see his children happily married and launched in life.

For the third question, in which they have only one day to live, Bill realized that his main regret would be never having explored his own horizons—through sports, through creative inventions, through travel. His world (and sense of self) would not have expanded beyond the local and the customary. Sadly, his hunger for challenge and adventure would go unsatisfied.

When Sarah read her answers, she became quite emotional. For the first question, she would make sure that the children all had substantial trust funds to secure their futures. She would also want to create a legacy in her community, funding parent education and support programs for working mothers, both single and married. She expressed pain over the loss of parenting time with her children as they grew, due to both the need to work outside the home and her interest in her career.

In the second question, she just looked at me and said, "This is where I am right now." Because she is still within the five-year window for recurrence of her cancer, she is already living as if on borrowed time. She would continue to make the most of her time with Bill and the children, without draining their energies away from their own life activities to focus on her needs. She has to fight her need to cling to them and to interject herself into their daily activities while she still can.

Sarah’s response to the third question was also one that she had considered recently, although a new awareness came on this occasion. Along with regretting the loss of future time with her family and friends, Sarah realized that she never really got to know herself as a unique individual. She has always defined herself in terms of her relationships within her family, work, and community. As a child, she had a passion for horses, which got pushed aside in the rush of life. A gifted artist, it had been years since she had ridden or painted a horse. As she spoke of this, tears rolled down her cheeks, much to her amazement. "I had no idea that I missed that part of me so much!"

I told her, "And that's exactly what will be the centerpiece of our financial life plan!"

For the remainder of the meeting, Bill and Sarah talked of their deepest yearnings. They began to see how they could travel to exotic places where Bill could participate in his sports interests, while Sarah could seek out equestrian facilities, sketch or paint horses in the different settings, and ride where and when she could. They could go on trail rides together. Closer to home, she could buy a horse that could be stabled within five miles of their home. She could ride regularly, while Bill was puttering in his shop. I encouraged them to begin this transition immediately, on a small scale, as time might be of the essence. Within three years, once Sarah had her
clean bill of health, they could shift their lives in this direction in a more major way, by scaling back on work hours and responsibilities, while investing their freed-up time and energy in their heart's core interests. They recognized that this would mean simplifying their retirement goals and planning for a downsizing in terms of their home within the next few years. They were both very comfortable with this, and quite excited by the shared future they envisioned.

Case Study: Bill and Sarah in the Obstacles Phase

Before our third meeting, I had asked Bill and Sarah to go home and—both individually and as a couple—think through any obstacles that might delay or interfere with their envisioned plan. I also asked them to do some "out of the box" thinking about those obstacles, to see if they could come up with creative, practical solutions. They returned to our third meeting energized and committed to the plan we had formulated. They had realized several potentially significant issues and had come to what they thought were acceptable solutions. Because some of the obstacles were financial concerns, we talked those through together and I proposed some alternate choices. Decisions were made, and the meeting closed with all of us feeling quite inspired and even delighted by our joint planning results.

Web Sites

Practitioners desiring more information about financial life planning and how they might implement this approach at a practical level may wish to visit the following Web sites:

- The Kinder Institute of Life Planning— www.Kinderinstitute.com
- Worth Living— www.WorthLiving.com/f_articles.htm
- The Financial Life Planning Institute— www.FLPinc.com
- Money Quotient— www.MoneyQuotient.com

Case Study: Bill and Sarah in the Knowledge Phase

At our final meeting, Bill and Sarah signed off on the plan, which I had prepared in writing, and we set up a timeline and agenda for executing the various actions, both personal and financial, that the plan outlined. I told them we would be in touch by phone and e-mail over the weeks ahead, and would meet again in six months to touch base and regroup if needed. Given Sarah's health, I wanted to stay in close contact with this couple for the next three years, so that we could quickly adapt to changing circumstances if needed.

As it turns out, the three years have now passed, and Sarah is cancer-free. My intuition tells me that her joy in returning to her passions of horses and art has something to do with this happy ending.