**Got Empathy?©**

“I don’t have any empathy.”

The planner spoke directly to Susan, nodding his head in the direction of a booth display for the Kinder Institute, where “empathy” was one of the qualities listed in relation to effective Life Planning.

He didn’t say it aggressively, or even assertively. It came out more as a simple statement of fact. Momentarily nonplussed, Susan looked him in the eye and saw that he was being quite sincere, and even looking a little sad about it.

“I don’t believe you,” she replied quietly. “What I do believe is that you don’t know how to access your empathy, and so you think it’s just not there.”

What has empathy got to do with financial planning and related financial services? Not much, unless you want to form a genuine connection with your clients and create a relationship of trust. Empathy is that human quality that allows us to connect with another at a feeling level. The word literally means “to feel with.” It is different from sympathy, where we feel pity or sadness for another’s pain, while still remaining somewhat aloof. With empathy, we join with the person emotionally, resonating with their expressed feelings much like a tuning fork resonates with the struck note. We “feel their pain” or their joy or their sorrow – usually not to the same degree, but enough so that they feel acknowledged, and understood with the heart, if not the mind.

In empathy, there is no judgment, no evaluation of right or wrong. It is a natural response to our shared human experience. We resonate to emotion all the time, by weeping at sad movies (it’s not really happening to us!) or becoming angry when we see people being mistreated (it’s still not happening to me!), or laughing with shared delight with a baby taking its first steps.

When clients come to a planner with painful or joyful experiences around money and money issues, they feel relief when a planner can simply respond at a feeling level, from the heart, without judgment or evaluative comment. It’s astonishing to realize how many of us are hesitant to talk about our most important life or financial needs, for fear of being criticized or judged. We’ve heard quite a number of people remark that they waited to seek financial advice for a long time, for the simple reason that they assumed the planner would be judging them (and not in a positive way) in regard to their past money decisions and behaviors.

Once a client does finally make that call and set an appointment, perhaps propelled by a major life change or transition, it is common for a lot of anxiety to set in. When a planner sees anxiety in a client, sometimes a simple statement such as “Some of these money decisions can seem pretty scary” may go a long way toward helping the client feel at ease and understood.

We know from behavioral finance that emotions drive behaviors. When a client’s emotions around money matters are ignored or dismissed, and a planner takes the “let’s be reasonable” approach, the underlying distress of the client isn’t relieved – it is in fact magnified. We’ve all either participated in or observed arguments where one person was very emotional and the other person was trying to use logic to solve the apparent problem. What happens next is obvious – the emotional person just escalates, and becomes even more emotional. The fact is that you can’t think and feel at the same time, so feelings have to be acknowledged and addressed before any effective thinking can take place.

Otherwise, the intensified emotions then get deflected into unwanted behaviors – clients who sabotage the spending plan, for instance, or can’t quite seem to remember to set up contributions to their retirement plan. These behaviors, in turn, stimulate even more feelings of distress, which further undermines the work of the financial advisor and negates the value of any planning process.

If you, as a financial advisor, are backing away at this point, and saying “I do NOT want to even go there!” just remember that you are not alone – most of your fellow financial professionals would say the same. However, there is a way that quickly defuses emotional situations, and allows the planning process to get back on track: practicing empathy, which means being calm and present, nonjudgmental, listening without talking, and being clearly attuned to the other person’s distress without being drawn into it yourself.

“I’m so sorry you had that experience.” “I felt a fiery ball of anger in my stomach when I heard how your partner betrayed you.” “My heart feels heavy and sad as I listen to what’s happened in your family around this inheritance.”

Just two or three of these statements, followed by an attentive silence, is pretty much all it takes to help the client feel the feelings, and then move on.

There is a kind of rule in human behavior that goes like this: Until at least one other human being can be with me/have compassion for me where I’m stuck, without judgment or recriminations, I can’t move to a better or healthier place. This “being with” – no matter what the circumstances – opens the door to freedom. When another person can accept me, in this place, as I am, then I’m free to take a new step. This doesn’t for a single second imply *approval* of whatever the accompanying circumstances might be. It is simply one person acknowledging the distress of another, and bringing the balm of empathy to that pain.

When you, as a financial professional, are able to simply “be with” your clients as they experience emotions around life changes and transitions, or money needs and decisions, you create a foundation for the relationship of trust which clients say they want to have with their planners above all else.

The most interesting part of this way of relating is what it brings to the planner. You too get to have client relationships where you feel connected and committed to the financial life plan that you have forged together, and to the client as a person you’ve come to know more than superficially. While the big financial institutions exaggerate the intimacy that can develop between planner and client in their TV ads, they are still portraying a partial truth: advisors and clients both benefit from relationships where a real bond has been established, and where advisors get “clients for life” while clients get “advisors for life.”

So how does a planner, like the man at that the beginning of this column, learn how to access empathy, if that is the glue that binds relationships?

It comes with practicing a few simple steps:

* **Listen.** Pause. Then listen some more. Then just listen. Don’t problem-solve prematurely, if emotions are still in the room.
* **Pay attention** to what’s happening inside of you when a client is in an emotional state. What’s happening in your chest? Or belly? Or throat? Or fists? Are you gritting your teeth? Is your knee jiggling? Your foot kicking out? Are you remembering a similar experience of your own, or are you resonating to what you’re hearing and receiving emotionally from the client? You can tell a lot about what’s going on for someone else by noticing what’s happening in your own responses. Be awake and aware of the feeling level, much more than the story or idea level.
* **Say something** to the client, once they have truly stopped talking, that lets him or her know that you were experiencing feelings while listening. It can be as simple as “I’m so sorry that happened to you” or can be one of the more body-based responses given earlier. Either way, you are letting the client know that you were with THEM while listening to the story.
* **Do not probe** or try to figure out who, what, where or why. Just empathize. Don’t problem-solve. Listen. And as soon as the client is ready, feeling freer now that feelings have been aired and allowed, move on and continue with your planning work together.

Ultimately, what you are practicing with your clients is kindness. Effective listening requires patience, and creating bonds of trust requires kindness in the form of empathy. It is the key to a rich, meaningful and truly successful life-centered financial planning practice where both client and planner get to have a life truly worth living.