

# Financial Planning with Ambiguous Loss from Alzheimer's Disease: Implications, Applications, and Interventions

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**ALZHEIMER'S DISEASE** IS the most common form of dementia, with a new individual developing the disease every 65 seconds.<sup>1</sup> Due to the pervasive nature of the disease, it is likely that the majority of financial planners will work with families dealing with

## Executive Summary

- By using financial therapy techniques, mental health theories can be applied to the financial planning process to equip financial planners with tools to assist families with a member suffering from Alzheimer's disease while remaining within their scope of competence.
- Through the lens of ambiguous loss theory, this paper provides guidelines for financial planners working with families living through the experience of having a family member present but psychologically and cognitively absent.
- Implications of these guidelines are that financial planners will be able to develop better communication skills, deepen their relationships with clients, develop more empathy for families experiencing ambiguous loss, and understand the importance of a financial planners' own self-care to ensure that they do not experience burnout.

Alzheimer's. When suffering from this disease, the family member is alive but by other accounts is lost, which blurs the lines between life and death. Due to the uncertainty caused by Alzheimer's, significant emotional stress can occur and present unique challenges for the supporting family members and the financial planner.

Families with a member suffering from Alzheimer's are often experiencing a type of grief that is overlooked, known as ambiguous loss. Pauline Boss, Ph.D., first conceptualized and coined the term "ambiguous loss" in the mid-1970s (Boss 1977). An ambiguous loss occurs when there is a disparity or conflict relating to a person's physical presence (Type I) and/or psychological presence (Type II). Examples of Type I ambiguous

loss include a family member who is deployed with the military, a child who is kidnapped, or a first-born child going to college. In these examples, the absent family member may still be a major psychological focus for the family.

Examples of Type II ambiguous loss can be seen in an actively using addict, a spouse suffering from workaholism, or someone who is in the midst of a depressive episode. In these examples, the individual may be present physically, but psychologically unavailable. Using Boss' (2016) classifications, Alzheimer's is a Type II loss because an individual is physically present but psychologically absent—the family may therefore be experiencing an ambiguous loss.

For reasons examined in the theory section of this paper, ambiguous loss is

uniquely stressful to the supporting family and can be amplified or highlighted in the context of financial planning.

Several studies have examined the negative impact of Alzheimer's on family stress and coping processes (Au et al. 2010; Mausbach et al. 2012; Pioli 2010). One overlooked area of exploration related to Alzheimer's is ambiguous loss. To the authors' knowledge, past research has yet to utilize ambiguous loss theory within the financial planning or financial therapy fields.

Financial therapy is an emerging field that "integrates the cognitive, emotional, behavioral, relational, economic, and integrative aspects of financial health" (Grable, McGill, and Britt 2010, p. 1). Financial therapy is a lens through which to begin an examination of therapeutic techniques that can be used by financial planners to more effectively support families during emotional financial planning decisions like those involved with Alzheimer's.

In this paper, an application of Boss' (2016) ambiguous loss intervention method (specifically Type II loss) within the financial planning process is explored as a tool to engender deeper empathy of clients' stress related to an Alzheimer's diagnosis in the family and to adequately equip financial planners to navigate the emotional aspects of such a transition.

### **Alzheimer's Disease and Decision-Making**

Symptoms of Alzheimer's are related to cognitive impairment, which includes decision-making skills, memory, language, and episodic memory (Albert et al. 2011). These symptoms may be identified in multiple ways, for example: an individual who is an excellent cook and never referred to a recipe, but is now unable to create simple dishes; an individual who may know and recognize their environment, but within seconds is confused about how they got there; or a person who previously took care of

the household bills, but may no longer remember how to sign their name or completely fill out a personal check.

Marson et al. (2000) developed a prototype instrument that can be used to determine the financial capabilities of an individual with Alzheimer's. Their study determined that, even in the early or mild stages of Alzheimer's, there was a marked difference in financial capacity when compared with same-aged individuals without an Alzheimer's diagnosis (Marson et al. 2000). The findings confirmed that individuals in the early stages of Alzheimer's may need help managing their finances. These individuals, with support, may be able to maintain their ability to live on their own for some time. However, as the disease progresses, cognitive impairments will worsen, causing financial needs that may require more extensive planning. Caregiver services will also need to be expanded to provide additional support.

### **Planning Needs for Families with Alzheimer's Disease**

Financial planners, if hired by the individual and their families, are able to implement the necessary planning techniques to ensure that the client's end-of-life wishes are documented. However, there is a limited time period (although it varies from case to case) in which the diagnosed individual is able to communicate their end-of-life wishes before they are no longer of sound mind (Hirschman, Kapo, and Karlawish 2008).

Clinically and anecdotally, it is found that many individuals, even upon an Alzheimer's diagnosis, do not have necessary conversations about the future with their loved ones or caregivers (Ryan and McKeown 2018; van der Steen et al. 2014). Hirschman, Kapo, and Karlawish (2008) investigated the cause behind this observation and found that 57 percent of families that did have discussions about the future

noted a financial issue of another known individual as the instigator for those conversations. In other words, the majority of individuals who had financial conversations only had those conversations because they saw disastrous financial issues in a friend or family member and wanted to avoid that for their own family. The only catalyst for financial planning was fear-based.

Three active avoidance strategies were found to be the primary reason these conversations did not occur, and these strategies were used by both the client and the family members (Hirschman, Kapo, and Karlawish 2008). The active avoidance strategies included: (1) avoiding the discussions altogether; (2) the patient's personality being a barrier to the conversation; and (3) the patient being in denial of their Alzheimer's diagnosis.

**Individuals in the early stages of Alzheimer's may need help managing their finances.**

It is essential to reflect on the factors that will aid financial planners in engaging clients in these types of conversations. When Hirschman, Kapo, and Karlawish (2008) asked research subjects to reflect, the supporting family members identified "non-health care professionals... [specifically] financial planners" as critical to the future planning process (p. 298). They further went on to say that "[these professionals] play an important part in helping families begin their discussions and put together documentation to assist these families when their relative no longer expresses preferences" (p. 298).

## Impact of Alzheimer's Disease on Caregivers

Approximately 16.1 million Americans provide unpaid care for someone who has Alzheimer's or other forms of dementia.<sup>2</sup> Gibson, Anderson, and Acocks (2014) found that participants in their study struggled with employment, benefits, and financial issues.

Caregivers are most commonly unpaid individuals and are usually a family member of the person under care.<sup>3</sup> Oftentimes the demands of caregiving for an individual, especially one with Alzheimer's, can be extremely time intensive. Some studies have found that advanced dementia requires around-the-clock care (Sansoni, Anderson, Varona, and Varela 2013). Depending on the phase of the disease, the patient may require almost constant care, leaving little time for work or

personal time. Caregivers of people with Alzheimer's disease and other dementias provide an estimated 21.9 hours of care per week.<sup>4</sup> Approximately 21.3 percent of the caregivers interviewed in the study by Gibson, Anderson, and Acocks (2014) reported they were unemployed and actively seeking employment. In a study by Ory, Hoffman, Yee, Tennstedt, and Schulz (1999), 10.9 percent of non-Alzheimer's disease caregiver participants reported providing constant care to their loved one, compared to 16.1 percent of Alzheimer's disease caregiver participants.

Caregivers have to carry the brunt of the burden, but online and in-person aid may be available for caregivers and patients in many areas of the United States. This aid can come in many forms, whether financial, emotional, legal, or otherwise, and aims to sup-

port and educate both caregiver and patient.<sup>5</sup> Respondents in the survey by Gibson, Anderson, and Acocks (2014) recognized financial planning and legal planning as important (60.3 percent and 59 percent respectively) resources to their family. These same respondents felt individual counseling and group/family counseling (24.4 percent and 37.2 percent respectively) were not important as resources to their family. However, multiple studies have shown the importance of early financial planning in light of Alzheimer's disease to make sure protections are in place for the inevitable decline in cognitive abilities (Ryan and McKeown 2018; Hirschman, Kapo, and Karlawish 2008; van der Steen et al. 2014).

The burden felt by caregivers has many contributors, including the caregiver's emotional reactions to their



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patient and the behavioral problems that are trademarks of Alzheimer's disease and dementia. Behavioral problems and other patient issues contribute to caregiver stress and negative health issues (de Vugt et al. 2006).

Long-term stress associated with caregiving can present emotionally as compassion fatigue, also known as secondary trauma (Figley 1995). Compassion fatigue is "the combination of helplessness, hopelessness, an inability to be empathic, and a sense of isolation resulting from prolonged exposure to perceived suffering" (Day, Anderson, and Davis 2014, p. 796). Day, Anderson, and Davis (2014) also pointed out that several studies have been conducted on compassion fatigue in professionals, but the familial study of compassion fatigue needs further research.

Interacting daily with an ill relative can put the familial caregiver at risk of developing compassion fatigue. For instance, a study found that familial caretakers were just as at risk, or potentially more at risk, than professional caretakers for experiencing compassion fatigue (Day and Anderson 2011). While the study did not definitively diagnose any of the participants with compassion fatigue, the work caregivers do for their patients is very similar to the work nurses perform for the same type of patients.

### **Ambiguous Loss Theory and Intervention**

The challenge for families facing both types of ambiguous loss is to create resilience in their lives to effectively deal with the paradox of having a person be both present and absent (Boss 2016). Although each situation of loss has many factors, ambiguity can cause particularly destructive effects, such as halting the grief process and coping mechanisms; immobilizing individuals and their relationships; and confusing decision-making processes (Boss 2016).

Ambiguous loss fundamentally prevents closure and can lead to feelings of helplessness, hopelessness, and exhaustion. With many daunting challenges, individuals are more susceptible to depression, anxiety, substance abuse, violence, and suicide. Impacts on the individual can also carry over into their relationships. Ambiguous loss can cause conflict in couples and families, including isolation of family members, divorce, muting of family rituals or traditions, and anger at authority (Boss 2016).

Generally, when dealing with grief, an individual seeks closure as a means of coping with loss. One of the most difficult aspects of dealing with ambiguous loss is that this type of loss does not have a perceived natural or societal closure event associated with it, such as a funeral (Betz and Thorngren 2006). Many individuals experiencing ambiguous loss cannot fully express their loss due to the uncertainty surrounding their circumstances, which can cause ambivalence and denial (Boss 1999). For this reason, building personal resilience to help cope with the ambiguity of planning for and taking care of loved ones experiencing Alzheimer's is key to being able to appraise the situation at hand, make decisions, and take action (Boss 1999). In addition to personal resilience, the family construct—both physical and psychological—can be additional sources of resilience. The psychological family (one's own consideration of their family) can include friends, biological family, pets, and people in the future and the past (Boss 2016).

### **Incorporating 6 Treatments for Ambiguous Loss into Financial Planning**

Boss (2016) presents six guidelines for treating ambiguous loss for individuals and families: (1) finding meaning; (2) adjusting mastery; (3) reconstructing identity; (4) normalizing ambivalence; (5) revisiting attachment; and (6) discovering new hope. These guidelines are

not meant to be used in a rigid sequence or application, but are a cyclical process starting and ending with finding meaning (Boss 2011). The ultimate goal of all six guidelines is to help clients build resiliency.

## **Interacting daily with an ill relative can put the caregiver at risk of developing compassion fatigue.**

In the proposed interventions that follow, each of the six guidelines are explained and examples of how to incorporate the guidelines into financial planning are suggested. References to the "client" in the following sections denotes both the Alzheimer's patient and supporting family members engaged in financial planning until the disease advances to the point where the individual diagnosed can no longer actively participate in financial planning sessions due to cognitive, psychological, or physical impairments.

### **Finding Meaning**

Finding meaning while caring for a loved one with Alzheimer's means being able to understand the unique experience of ambiguous loss. The ability to identify and understand ambiguity is the key to accepting the incongruity of managing a relationship that has simultaneously been lost, yet still exists (recall that with Alzheimer's, the loved one may be psychologically absent yet still present in their life (Boss 1999)).

For many, the inability to find meaning while caring for a loved one with Alzheimer's creates a feeling of hopelessness and can lead to a state of

frozen grief by not adequately addressing the issue at hand (Boss 2006). Finding meaning allows individuals to foster a sense of hope while actively living through the challenges of caring for someone with Alzheimer's. Because there is no solution to the ambiguous loss associated with Alzheimer's, the ability to find meaning in the experience can be key to being able to cope with the inherent stress and grief associated with the experience (Boss 2006).

## Financial planners should encourage their clients to remain engaged within their social circles.

Financial planners can help their clients find meaning in several ways. It will be a unique journey for each client. Some find meaning simply by understanding the concept of ambiguous loss and by being able to put a name to the feelings they are experiencing. Therefore, financial planners being able to provide education about the term ambiguous loss can be healing to the client. Others find that embracing the experience of caring for their loved ones throughout the rest of their lives is a meaningful experience (Harris, Adams, Zubatsky, and White 2011; Stuckey 2001). Often, others are able to find meaning through their cultural or spiritual beliefs (Boss 2011). Allowing clients to share how their religion and spirituality processes loss can be beneficial to helping clients see their experience in a different light.

Two common hindrances to individuals finding meaning are secrecy and disillusionment (Boss 2006). In the case

of Alzheimer's, it is a common desire to keep the psychological decline of a loved one secret from close social circles (George, Whitehouse, and Whitehouse 2016). This aim can be potentially harmful as the caregiver may not take steps necessary to ensure the long-term well-being of the Alzheimer's sufferer and/or themselves. The secrecy from others will allow the denial of the diagnosis to fester and may cause the clients to increase avoidance techniques. Secrecy can also augment the ambiguity of the situation by keeping the status of the individual with Alzheimer's unclear (Boss 2006). Secrets among close social circles can lead to rifts in personal relationships, and it is often better for a person to accept the truth of ambiguity, rather than struggle with a lack of information or the betrayal of secrecy—especially amongst family members (Boss 2006).

Financial planners should encourage their clients to remain engaged within their social circles. Disillusionment occurs when a person is clinging to hope and does not acknowledge the severity of a situation, often leading to ambivalence (Boss 2006). Financial planners will be able to break through disillusionment by presenting different timelines with their forecasting. However, planners should remember that if their client is experiencing disillusionment, they may need more support and more focus on instilling hope through these conversations. Regardless, it is essential for planners to remember that both secrecy and disillusionment can cause a delay in recognizing the loss that occurs with Alzheimer's and stall the progress of finding meaning within the situation.

Financial planners can also help clients find meaning while dealing with ambiguous loss by making time for clients to tell their story. All planning engagements should have a clear set of goals that the planner and client are working to achieve. For clients planning

for loved ones with Alzheimer's, it can be beneficial to leave time available for the client to discuss their story and share details about their loved one suffering from the disease. Klontz, Kahler, and Klontz (2016) provided tools for financial planners called exquisite listening that can aid in hearing your clients' stories. With exquisite listening, the listener becomes consumed by the listening process. Klontz, Kahler, and Klontz (2016) recommended reading about exquisite listening or other forms of active listening to aid your clients in telling their story.

### Adjusting Mastery

Most people strive to have a certain amount of control over their lives. When problem-solving and mastery over one's life are highly valued, accepting the ambiguity of Alzheimer's can imply failure (Boss 2011).

Mastery is commonly defined as the ability to have power or control over something or someone. Boss (2016) adapted this term to mean the sense of power or control over one's life. Understanding what is and is not within a person's control helps to ensure that a caregiver does not place blame on themselves or others for not being able to solve the problem of Alzheimer's itself.

Mastery of one's self and one's circumstances is a fine line in ambiguous loss. On the one hand, having too little desire for mastery and control over one's circumstances can lead to a lack of action when it comes to planning and caring for a loved one with Alzheimer's disease. However, striving for too much control over the situation can be destructive simply because of the nature of the disease. The feeling of life being out of their control can often cause individuals to lash out at others or to remain in a state of denial.

One essential element to mastery during these times is to determine when to increase or decrease one's

feeling of control so that they can balance what they can and cannot control no matter how large or small (Boss 2011). During this stage, Boss (2006) suggested that one of the strongest ways practitioners can empathize with their clients is to do their own work in terms of mastery. In other words, it is essential for financial planners to explore what is and is not within their own control and reflect on their past struggles around mastery. This internal work will then prepare the financial planner to better empathize with the anger, blame, and frustrations that many clients will experience when they feel out of control. In that way, the financial planner will be able to be non-reactive in these conversations about what feels out of control in their lives and recognize where their sense

of “fairness” in the universe is originating from in popular discourses.

Financial planners can help clients to feel more control or mastery over their circumstances by guiding them through the financial planning process and advising them on how to plan for various future circumstances.

For example, when looking at a long-term cash flow for a client with a partner suffering from Alzheimer’s, a financial planner is providing his or her clients with a sense of control by beginning with their current financial situation, but also presenting multiple future scenarios that incorporate variables such as increased medical expenses or a move into an assisted living community.

Having a plan for at least the financial side of caregiving can provide

valuable comfort during tumultuous times for clients who crave stability and a sense of control. It can also be valuable to reinforce the idea that the financial planner is available as a resource for the client should circumstances change. In this way, the relationship with the financial planner can provide a sense of community to a client that may be facing several difficult financial decisions in the future and reinforce the notion that they are not alone when things do not go according to plan. Therefore, financial planners may need to step in to a more active role as taskmaster within the family either by assigning certain family members financial tasks or providing referrals for services, such as bookkeeping, that were previously done by the client with Alzheimer’s.

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## Reconstructing Identity

The onset of Alzheimer's reconstructs the family dynamic in several ways that can be confusing to a person's identity (Boss 2006). A husband may wonder if he is still married if his wife of 30 years no longer recognizes him. A wife may be uncomfortable or unwilling to take on the role of provider and money manager, if this had always been the role of her husband, despite the fact he can no longer handle these responsibilities. A child may feel more like the parent of their mother or father when stepping into the caregiving role. In each of these instances, the family member and individual with Alzheimer's must reconstruct their identity to fit the changing dynamics of their relationships; this can be emotionally challenging.

For many, these situations may constitute a break from an individual's view of self and their role within a relationship (Boss 2006). To cope with the changing relationships with Alzheimer's sufferers, it can be beneficial to adopt a more fluid manner of thinking about family boundaries, gender and generational roles, recognizing ex-identities, and revising family roles (Boss 2006).

**A child may feel more like the parent of their mother or father when stepping into the caregiving role.**

Although reconstructing one's identity is primarily a personal experience, financial planners are uniquely qualified to help in a specific role reconstruction through the transition to

primary money manager of the home. For many families, one primary person manages all financial matters. When that primary money manager becomes unable to fulfill this role and is unable to transition their knowledge, a major sense of upheaval and confusion is common as another person attempts to figure out the family finances.

Financial planners can take preventative measures to create a smooth transition of financial responsibilities by ensuring that both the individual with Alzheimer's and the future caregiver (the partner, child, sibling, etc., who will eventually serve as the caregiver when symptoms advance) are present in client meetings that discuss where assets are held, what insurance policies are in place, where estate planning and incapacity planning documents are held, and how long their assets are projected to last.

When the caregiver has a baseline knowledge of the family's financial status and a relationship with their financial planner, future transitions of financial responsibilities are much easier. Financial planners can also set up multi-generational family meetings where clients can begin to pass down financial education and responsibilities to their children and grandchildren and formally establish powers of attorney, both medical and financial. In this way, the financial planner serves as a trusted family adviser as family members shift roles and provides the caregiver with a resource for asking future questions.

## Normalizing Ambivalence

Ambiguous loss can lead to a strong sense of ambivalent feelings and thoughts, causing a person to be more often in a state where they are not quite sure what they should do or how they should feel (Boss 1999). An example of this is a wife whose husband has been in the memory care

unit of a retirement facility for several years with little to no mobility, and the wife's sentiments on the situation—ranging from being thankful that her husband is alive to wishing he was dead so that he did not have to suffer any longer and she did not have to see him in such a state.

These types of conflicting feelings—along with angry outbursts and periods of extreme guilt—are common for someone experiencing ambiguous loss (Boss 1999). The primary approach to tackling these mixed emotions is for the person to normalize the guilt and its associated negative feelings by understanding that it is part of the feeling of loss, and they should not take harmful actions or assign misplaced blame (Boss 2006). Coming together with family and a greater support system to express ambivalent feelings can be therapeutic to an individual and help manage ambivalence.

An ability to identify situations where ambiguous loss may be present and understand the potential psychological impacts on a client can help a financial planner better empathize with their client as they address any relevant financial matters. This is another time where exquisite listening skills could benefit the financial planner's relationship with his or her clients (Klontz, Kahler, and Klontz 2016).

Although helping a client address ambivalence may be one of the intervention guidelines that strays furthest from a financial planner's competencies, knowing that a client's changing moods or outbursts could be caused by an underlying feeling of ambiguous loss could help to build tolerance and understanding in the client relationship. This may allow financial planners to begin overtly normalizing feelings of guilt or shame so the client can move past those emotions. Again, this is a time where financial planners simply need to educate clients on this

phenomenon. For example, planners could use phrases like:

*“I once read about this concept of ambiguous loss; it is a kind of anticipatory grief that I think you may be experiencing right now. When I was reading about this concept, I learned that it is incredibly normal to feel guilt and/or shame as part of the process, and that those emotions can often present as anger or frustration. This is such a normal experience and without knowing about how these feelings may be eating away at you...you may lash out by accident. Do you think that could be part of why things are so tense today?”*

This process of normalizing can be freeing for clients, and it can be powerful to explain that some conflict can be positive (Laursen and Hafen 2010). Couples can use conflict as a way of gaining new insights on each other’s internal processing of these ambiguous events. Oftentimes, expressing that fact can help clients to see the fights as more normal and less catastrophic and also help them decrease any shame they may feel from fighting in front of you.

### **Revising Attachment and Discovering Hope**

The last two intervention guidelines mark a turning point in the relationship with someone who has Alzheimer’s and begins the process of moving forward. The process of being separated from someone as a result of ambiguous loss can cause a person to experience grief that is more traumatic than the death of a loved one (Boss 1999). Alzheimer’s disease causes relationships to be increasingly more one-sided over time and increasingly more difficult despite the physical presence of the person (Boss 2011).

Despite the ongoing ambiguity of relationships with the patient with Alzheimer’s, people close to them must continue to live their lives; they must

revise their attachment to the patient by acknowledging that they are both present and absent in their lives (Boss 2011). Successfully revising attachment to a person with Alzheimer’s requires an ability to live with these opposing views without relying on closure and being able to accept the altered state of the relationship.

Once a person has gone through the applicable steps of Boss’ intervention guidelines, the goal is for the person to arrive at the final intervention step with a greater sense of resilience and newfound hopefulness for the future, despite the alterations from ambiguous loss (Boss 2006). A person discovering new hope is at a point in their grieving process where they have learned to cope with the ambiguous loss in their lives and now have the desire to build new connections with others and imagine new options for themselves in the future.

Throughout the process of planning with a family who supports a patient with Alzheimer’s, it is inevitable that relationships shift and the financial goals and objectives of the clients will change. During this time, it is helpful for financial planners to reevaluate with the client the best way to incorporate their new goals and objectives while still maintaining the lifestyle and comfort of the loved one living with Alzheimer’s. As this is a period of time where the client may be feeling more hopeful about the future, financial planners should strive to communicate with a sense of hopefulness and encourage the client to think about what is next for them by asking probing questions regarding their goals and desires beyond being a caregiver, as they will need to have a sense of identity outside of that to avoid compassion fatigue (Boss 2006).

### **Scope of Competence**

This paper suggests that financial planners use therapeutic skills in a form of financial therapy aligned with financial

planning practices. These basic skills are appropriate for financial planners as long as they can assess when they have reached the boundaries of their scope of competence. Ross, Gale, and Goetz (2016) urged professionals to explore their own professional standards and ethical codes when entering into financial therapy and to be proactive in determining when the clients’ needs require services outside of his or her scope in order to make appropriate referrals. That claim is reiterated here.

Many financial planners may find it more natural to know when to refer a client to accountants, lawyers, etc., than making referrals to mental health professionals due to the common stigmas attached to mental health services in our country (Stroope, Walker, and Franzen 2017). To make this process easier, financial planners may find it helpful to know how to assess when there is a need to refer to a mental health professional. Financial planners can further prepare themselves to make referrals to therapists by creating a sample script for referring clients to a mental health professional and by building out their referral network.

Archuleta (2015) provided a simple way of assessing the need for therapy. She pointed to doing a self-check, a client-check, and a problem-check. A self-check means assessing how you feel toward the client. Do you constantly worry about them, feel drained after seeing them, feel like you are working harder than them, and dread their meetings?

Second, do a client-check. Is the client breaking down constantly in meetings? Are their emotional reactions slowing down progress? Are the clients unable to emotionally regulate themselves?

Finally, do a problem-check. Are you unable to accomplish any of your financial planning goals or agenda items? Is their conflict becoming the focus of your planning sessions? Is there a clear diagnosis that is preventing the



focus on financial planning (e.g., compulsive spending, gambling, depression, anxiety)?

If one or all the answers to these questions is yes, there is a need for additional support and a referral to an appropriate mental health professional may be appropriate.

If the financial planner does determine more support is needed, that planner needs to be comfortable with the referral process. Like any other allied professional, it is beneficial to

**Like any other allied professional, it is beneficial to get to know therapists in the area and their specialties.**

get to know therapists in the area and their specialties. By building a trusted network of mental health professionals, financial planners can speak clearly and eloquently about how the mental health provider will be able to help their client during the referral process. If a financial planner does not understand what therapy looks like nor the benefits of mental health services, the referral may sound hesitant, potentially reinforcing the underlying societal discourse that mental health services are taboo (Stroope, Walker, and Franzen 2017). Finally, it is essential that financial planners understand the basic differences between mental health providers so that their referral is to the appropriate care provider.<sup>6</sup>

Although financial planners may be hesitant to incorporate aspects of financial therapy into their practice, Dubofsky and Sussman (2009) found that financial planners were already being placed in the position of counsel-

ing, in that their clients were having strong emotions and needed more than just financial support. Although it is essential to acknowledge the ethical implications of integrating aspects of therapy into a financial planning practice, by not addressing the clients' holistic health, financial planners are missing an opportunity to truly connect with their clients, foster trust, and support their clients in a way that will increase their overall well-being.

### Implications for Practice

First and foremost, financial planning is a relationship-driven profession, especially as personal finance remains one of the most intimate topics for most people to discuss. Although addressing ambiguous loss is not the direct responsibility of a financial planner, an ability to communicate with clients to aid in the acceptance of their circumstances using the intervention guidelines presented here can provide valuable assistance in the successful progression of a client with Alzheimer's through the financial planning process and in the creation of trust between clients and financial planners.

**More effective communication.** Effective communication with clients experiencing ambiguous loss can encourage them to move forward, implementing necessary adjustments to a financial plan after a loved one is diagnosed with Alzheimer's disease, breaking the cycle of ambivalence and denial. Simply having the ability to identify clients who may be experiencing this form of grief can make seemingly irrational client behavior (such as mixed emotions or angry outbursts) seem less unusual, and allow the financial planner to think through how to handle the client's processing of these feelings beforehand.

The guidelines presented in this paper allow planners to help set clients experiencing ambiguous loss on a path

to resilience and progression by communicating in ways that are consistent with where they are on their path to dealing with ambiguous loss. None of the suggestions made in this paper require extensive therapeutic training or techniques, but rather outline methods that are intuitive when a planner has an awareness of the underlying situation.

**Client relationships and trust.** Supporting a family during difficult times such as these with an understanding of the family dynamics at play is an effective way to deepen the client relationship across multiple generations and protect against the high attrition rates generally associated with the death of a primary client if no relationship was built with the partner or the children. Becoming aware of the challenges that clients are facing with ambiguous loss and practicing active and exquisite listening also gives the planner the ability to assess red flags if mental health issues have escalated from grief to depression.

The main differentiating factor between grief and depression is time. Grief's pain should lessen over time, and if there is no improvement after three months, it is important to assess for depression. In addition, financial planners should listen for any signs of a sense of worthlessness, extreme shame or guilt, and an impairment of functioning in the client's daily activities of life as these often mark the onset of depression.<sup>7</sup> In return, clients are receiving financial planning that is tailored to their individual needs.

**Fostering self-care in financial planners.** The analysis of the need for self-care in mental health is abundant in the literature (see Cocker and Joss 2016 for a systematic review). The emotionally laden nature of therapeutic work can often cause compassion fatigue (Weiss 2004). Compassion fatigue is linked to depression and anxiety in the practitioner (Radeke and Mahoney 2000; Tyssen, Vaglum, Gronvold, and

Ekeberg 2001), as well as decreased capabilities to work with clients (Enochs and Etzbach 2004; Shapiro, Brown, Biegel 2007; Skosnik, Chatterton, Swisher, and Park 2000).

Mental health professionals are provided with trainings and tools to combat compassion fatigue; however, researchers and practitioners have yet to explore compassion fatigue in financial planners. The personal financial planning profession would benefit from future studies on the rates of and protective factors against compassion fatigue, as this paper suggests that financial planners will have to face similar emotions as their mental health counterparts.

In addition, financial planners can begin to explore their own self-care regimen and strategies to avoid compassion fatigue. Figley (2002) is a resource for practitioners of any discipline who may be experiencing compassion fatigue. He suggested that it is essential for practitioners to understand the phenomenon of compassion fatigue to be able to normalize their experience and feel comfortable asking for help. He also suggested that it is essential to take stock of our personal relationships to ensure that we have a support system that is not one-sided. Figley (2002) provided a list of resources that may be helpful for a financial planner who may be experiencing compassion fatigue. Another resource is the list of do's and don'ts (see Table 1) created by Pfifferling and Gilley (2000).

### Limitations and Future Research

This paper presented an intervention method that may be beneficial for financial planners to employ when dealing both with ambiguous loss and compassion fatigue within the families they serve. However, it is based on a very small subset of case examples from the authors' practical experiences. More research is needed to explore the efficacy of applying these steps to the financial planning process.

Do	Don't
Find someone to talk to.	Blame others.
Start exercising and eating properly.	Look for a new job, buy a new car, get a divorce, or have an affair.
Get enough sleep.	Fall into the habit of complaining with your colleagues.
Take some time off.	Work harder and longer.
Develop interests outside of work.	Self-medicate.
Identify what's important to you.	Neglect your own needs and interests.
Source: Pfifferling and Gilley (2000)	

This paper also sought to provide financial planners tools to better serve their clients' overall well-being after receiving an Alzheimer's diagnosis. Limited studies are available for most of the topics presented in this paper, and most of the research has been performed in Western cultures. This may limit the efficacy of the proposed intervention across cultures. Henrich, Heine, and Norenzayan (2010) pointed out the drawbacks of using only this subset of the world and against making generalizations across cultures. Future research would benefit from exploring how ambiguous loss looks across cultures and other suprasystems.

### Conclusion

This paper provided financial planners with a framework to employ when working with clients experiencing ambiguous loss. This framework incorporates therapeutic techniques that can help elevate the financial planning process and strengthen the bond between planner and client. As Dubofsky and Sussman (2009) noted: "Spreadsheets, optimization algorithms, Monte Carlo simulations, economic forecasts, and actuarial tables have been and will continue to be necessary tools for financial planners. But our study underscores and empirically supports the thesis highlighted in our introduction: financial acumen is necessary for financial planning but not *sufficient* (p. 56)."

The growing field of financial therapy will provide the tools to fill the void Dubofsky and Sussman (2009) referred to. This is because financial therapy interventions, like the one described in this paper, allow financial planners to connect to the human sitting across from them in a more complete way to engender fuller client relationships built on strong communication and trust. ■

### Endnotes

1. See "2018 Alzheimer's Disease Facts and Figures," from the Alzheimer's Association. Available at alz.org.
2. Ibid.
3. Ibid.
4. Ibid.
5. Ibid.
6. See the National Alliance on Mental Illness to learn more about the differences between various mental health providers ([nami.org/learn-more/treatment/types-of-mental-health-professionals](http://nami.org/learn-more/treatment/types-of-mental-health-professionals)).
7. See "How to Tell the Difference Between Sadness, Grief, and Depression," by Amy Marturana, posted October 1, 2016 at [self.com/story/the-difference-between-sadness-grief-depression](http://self.com/story/the-difference-between-sadness-grief-depression).

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