



Using Ethical Wills in Your Practice

by Eric L. Weiner, Ph.D.

Acknowledgements:

My sincere gratitude goes out to all the financial and legal advisers who willingly donated their time to be interviewed for this study.

For some people, asset distribution goes beyond the transfer of money and real estate; they want to transfer intangible assets. Some financial and legal advisers see merit in this process. One tool to use is an ethical will.

While gaining in popularity, little is known about how financial planners and attorneys use ethical wills. I obtained a list of planners and attorneys who use ethical wills from www.ethicalwill.com, a prominent online resource, and randomly selected 10 planners and 11 attorneys for phone interviews about their use of ethical wills. I asked them how they integrate ethical wills into their practices, ways to start the conversation, client responses, tips for getting started and the advantages and disadvantages

of this work. Their responses are reviewed in this article.

What's the Appeal?

Almost every planner and attorney interviewed mentioned the “ugly aspects” of estate planning. Witnessing family conflicts motivated these advisers to move beyond focusing on just money and real estate.

Many of those interviewed talked about the deeper meaning of money, referring to the use of ethical wills as a process that connects the heart and soul with money.

Planners and attorneys see ethical wills as a tool to deepen relationships with clients. They also value taking on the role of “legacy coaches,” using ethical wills to assist clients in defining current and future values and visions. Once established, those defined values drive the selection process of financial products.

Resources to Use

A number of advisers refer clients to www.ethicalwill.com, which was developed by Barry Baines, M.D. Many acknowledge the influence of Baines in developing their own resources based on his work. One- and two-page descriptions with instructions for

Excerpts of Ethical Wills

“Regarding the use of wealth, we feel that our first responsibility is to each other, our financial security and our personal lifestyle needs. Above all, we want to assure our financial ability to meet our needs and objectives. Our second responsibility regarding the use of wealth is to provide our children with the best education possible, through graduate school, if they so choose. Our third responsibility regarding the use for wealth is to assist our children in educating our future grandchildren to the extent financially possible.”

—written by a CFP client from Louisiana

“I would love to see you become responsible members of the community and philanthropists. To that end, I have set up a donor-advised fund as the main conduit for our philanthropic interest. This fund will give you and possibly your children the ability to make grants to worthy causes. I want portability so that you can direct grants to your own communities, as well as to national and international interests.”

—written by a client of an estate planning attorney from Oregon

writing ethical wills are common.

Others have developed more elaborate resources, including lengthy questionnaires designed to elicit important client information about values, finances, legacy wishes and community involvement. As part of the initial discovery process, clients may be encouraged to complete the form and then write an ethical will.

One planner developed a “check-a-box” booklet designed to engage clients by having them check items they find meaningful. There are 17 headings (values and beliefs, lessons and reflections, hopes for the future, forgiveness, etc.) followed by several statements. Affirmed statements are compiled by the planner into a written ethical will for the client.

Several books and films are used, too, including *Ethical Wills: Putting Your Values on Paper* by Baines and guidebooks by other authors (Weiner; Turnbull; Rehl). Advisers also report the use of films such as “The Ultimate Gift” and “The Turning Point” to introduce the concept of legacy planning.

Starting the Conversation

Many advisers simply introduce the concept of ethical wills early in their encounters, often at the first meeting. Several mentioned the use of information from the *American Legacies Study* sponsored by Allianz Life. They use values-based cards to introduce the concept of legacy planning based on the four pillars of values and life lessons, instructions and wishes, possessions of emotional value, and financial assets or real estate.

Another strategy is to introduce ethical wills after discussing end-of-life care and/or wills and trusts. These documents can easily transition into a discussion of values.

Not For Everyone

Clearly, ethical wills are not for

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everyone. Some advisers report that clients are not comfortable “going that deep.” Generally, advisers report that 10 percent to 40 percent of clients complete the will-writing process, and for those clients who do, the results are often positive—for clients and advisers. Most of the advisers interviewed report a significant deepening of client relationships and loyalty as a result of helping clients write ethical wills.

“Once they have completed this process with you,” one practitioner in Florida mentioned, “they aren’t going anywhere else.”

Tips for Getting Started

According to the majority of practitioners interviewed, the best way to start using ethical wills in your practice is to write your own. They emphasized

the importance of bringing passion to this work and said there is no shortcut for “walking the walk.”

Although most advisers receive no formal instruction on using ethical wills while acquiring the training to become financial planners or attorneys, many read books, articles or presentations authored by Baines. Advisers interested in broadening their practices to include ethical wills can now do the training and/or work with strategic partners who have completed certified training. These partners often have a background in mental health and family systems and bring expertise to the emotions and family relationship dynamics that may result from the process.

A planner from California suggested the best time to start offering ethical wills is after financial sustainability is achieved—it would be tough starting before this because there would not be a strong financial payoff. Other planners see a new generation of clients with interests more aligned with a qualitative approach to financial planning.

Two more tips worth mentioning: A planner from Minnesota suggests

What Is an Ethical Will?

An ethical will is not a legal document and does not easily fit into the traditional tax and legal language of basic wills. It is a statement of values, beliefs, blessings, wisdom and family stories (Baines; Reimer & Stampfer). Most ethical wills contain one or more of the following: hopes for the future; lessons learned from life experiences; appreciation for heirs; religious or spiritual beliefs; and comfort thoughts (Weiner, 2010).

People are often coached to write words that come from the heart. Some coaches work directly with planners and financial institutions to offer this as an additional service to their clients (Weiner; Baines; Turnbull). Length varies, but one to five pages is common.

Not everyone calls them ethical wills. Other names for this document include legacy declaration, values and vision statement, family philosophy letter, legacy letter, love letter and heritage will. Some financial planners encourage clients to integrate ethical wills into their investment policy statement so heirs understand why they invested the way they did.

CLIENT SKILLS

doing this work with a smaller number of clients first to hone your skills, and an attorney from Michigan believes this work may be a better fit for those involved in a spiritual community.

Cautions

Practitioners cautioned, more than anything else, about the emotional material that often emerges from the process of writing an ethical will. As such, the lack of control over the process means you must be prepared for anything that may take you out of your comfort zone, including death, estrangement from family members and dramatic family stories.

Some practitioners directly tackle these and other issues and seem to feel quite comfortable doing so. They report the importance of being a skilled communicator in dealing with difficult topics and welcome the pain, tears and laughter that may result.

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One strategy employed by a planner is to team up with psychologists and family systems experts to handle emotions and family relationship dynamics that may result from the process.

An enthusiastic group of planners and estate planning attorneys have integrated ethical wills into their practices. In doing so, they add a meaningful dimension to their menu of services. Ethical wills appeal to clients who want to include the intangible assets that comprise their legacies. Advisers benefit from developing deep and loyal client relationships. ○

Eric L. Weiner, Ph.D., gives presentations on family legacy conversations using ethical wills. He is a certified ethical will facilitator. His book, Words from the HEART: A Practical Guide to Writing an Ethical Will, is available at www.familylegacyadvisor.com.

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