

# Is That Too Personal? When Advisors' Guidance Goes Beyond the Financial.

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By **Lawrence Carrel**

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**F**inancial advisors spend most of their time advising clients on money matters, but to provide the best financial guidance, an advisor often needs to know about clients' health issues, family relationships, and personal fears and desires. As those conversations unfold, clients may ask for advice that strays far from the financial realm.

For this edition of The Big Q, our weekly feature where we ask advisors to weigh in on important questions, we asked: **Do you offer personal advice, and, if so, what are the appropriate boundaries?**



Richard Saperstein

**Richard Saperstein, managing partner, Treasury Partners:** If the topic is outside our subject-matter expertise, experience, or knowledge, we'd stay away from that. Clients lead the discussions and they often establish the guidelines for the advisor-client relationship. So, there are matters personal to clients that we're not going to dive into, unless the client invites us.

We tend to provide a frame of reference on decisions. We suggest that the client look at how the decision would affect them a year from now and three years from now. We let them find a decision, looking backwards and to a future point in time. We definitely lean more towards trying not to give personal advice unless directly asked, and even then try to keep it as close to the financial aspect as possible.



Stephanie Stiefel  
Photograph by Celeste Sloman

**Stephanie Stiefel, managing director, Neuberger Berman:** I'm someone who discusses all matters related to children going out of the nest and having financial autonomy. I've counseled a lot of my clients' kids to go back and get a master's. I take great pride in how many kids have gotten MBAs or master's degrees because of my advice. But in general, I think everybody needs to understand what their lane of

expertise is.

I think that everybody should respect each other's professional time and expertise, and there's certainly a wealth of information that I can share on subjects that are natural. If a client needs a referral [to someone who has different expertise], we're happy to make that match. We love to be in a situation where both the client and we are engaging with top-flight professionals that can help them with a variety of their needs and issues.



Spuds Powell  
Photography by Theo Jemison

**Spuds Powell, managing director at Kayne Anderson Rudnick:** I consider my clients to be friends, and in some cases very close personal friends. So, it's common for my clients to ask for my advice about a broad range of topics.

I feel comfortable providing clients with advice on virtually any topic where I have some knowledge, expertise, or food for thought to share with them. Obviously,

there are many topics that I know little to nothing about. I obviously wouldn't share feedback unless I had some accurate, useful, and thoughtful advice to share. But for any topic where I felt like I had some meaningful advice to render, I would be perfectly comfortable doing so and would welcome the opportunity.



Susan Kaplan  
Photography by Tracy Powell

**Susan Kaplan, president of Kaplan Financial Services:**

My clients talk about me being their therapist all the time. I often share my own experiences because I feel that there couldn't be anything more intimate than handing over to a stranger everything you've accumulated in your whole life. We talk about all kinds of things that have nothing to do with money. For instance, I've

helped people get their kid into a rehab place.

Some older clients say their family wants them to go into an assisted living facility. They say, "I don't want to live with those old people." I feel very strongly about this topic and say the old concept of staying in your house is a bad deal. Social isolation is crippling. Assisted living protects you from a hostile environment and it makes your whole lifestyle richer in terms of the experiences you'll have, rather than being alone in your condo. This has nothing to do with finances, because they can afford either option. But I have very strong feelings about it and I share them with my older clients all the time.

I try to teach this to my younger, buttoned-up advisors. If the clients don't feel [you really care], it's no good. You can't give nothing of yourself and expect everything in return.



Charles Zhang  
Photography by Gary Yonkers

**Charles Zhang, managing partner and founder of Zhang Financial:** Many years ago, I had a client who was working for a Fortune 500 company and lost out on more than \$200,000 in retirement benefits because his company's human relations staff told him to retire by the end of the year instead of January. It was only one day different, but it made it look like he worked one year less. He only received partial benefits and the one-day difference cost

him \$200,000.

The client was so upset that he found a lawyer and said he wanted to sue the company for misleading him and causing him to lose money. I said to him, "How are you going to prove it?" Suing would cost him a lot of money, maybe take a lot of years, cause mental anguish, and there was no guarantee of winning. I told him that instead of suing, he should write a letter to the company's CEO. He initially wanted to write the letter like a threat. I said don't do that. I said tell the CEO that he'd been a great employee for 35 years, worked hard and never caused any problems. And while he didn't want to cause a problem with a lawsuit, he felt he had been treated unjustly.

I helped the client write the letter asking the CEO to fix the situation. And guess what? Two months later, they made an exception for him and gave him what he deserved. The best part is they both felt good. It was a win-win. The company felt good that it didn't get sued, and the client got his money without the frustration of spending years in a lawsuit. That's something I'm proud of.

While many advisors are willing to give personal advice if asked directly, some are willing to give the advice even if not asked.



Lynn Chen-Zhang  
Photography by Gary Yonkers

**Lynn Chen-Zhang, financial advisor and chief operating officer at Zhang Financial:** Many times a female client, or wife in a couple, will say, "You have to tell me how you maintain your good skin tone." I don't bring that up, but in one case, I saw a client whose face had broken out. I was dying to help her because I could see that she was very self-conscious about it.

Instead of directly saying, "Hey, I have this skin product that may help you," because that would be awkward, I started the conversation with, "This season has so many of us having some skin irritations."

That opened her up. She replied, "Yeah, I have this annoying breakout, and I want to see a dermatologist, but I can't get an appointment for another two months." Then, I told her that I know of a product that can fix her problem.

*Editor's Note: These responses have been edited for length and clarity.*

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