Financial Therapy Association

Journal of Financial Therapy

Volume 11 | Issue 2 Article 5

December 2020

Integrating Financial Therapy within Family-Owned Businesses: A Theoretical Case Vignette with Recommended Strategies for Consulting with Copreneurs

Josh W. Harris
Kansas State University

Rob Stephens
CFO Perspective

Derek Sensenig
Kansas State University

See next page for additional authors

Recommended Citation

Harris, J. W., Stephens, R., Sensenig, D., Pickard, S., McCoy, M. A., & Kahler, R. (2020). Integrating Financial Therapy within Family-Owned Businesses: A Theoretical Case Vignette with Recommended Strategies for Consulting with Copreneurs. *Journal of Financial Therapy, 11* (2) 5. https://doi.org/10.4148/1944-9771.1224

Integrating Financial Therapy within Family-Owned Businesses: A Theoretical Case Vignette with Recommended Strategies for Consulting with Copreneurs

Authors
Josh W. Harris, Rob Stephens, Derek Sensenig, Stefanie Pickard, Megan A. McCoy, and Richard Kahler

Integrating Financial Therapy within Family-Owned Businesses: A Theoretical Case Vignette with Recommended Strategies for Consulting with Copreneurs

Josh W. Harris, MBA
Kansas State University

Rob Stephens, M.S.
CFO Perspective

Derek Sensenig, MBA
Stefanie Pickard, M.S.
Megan A. McCoy, Ph.D.
Kansas State University

Richard Kahler, M.S.
Kahler Financial

Broadly speaking, finances are often one of the most strenuous aspects of a relationship. One potential contributing factor to financial conflict experienced by couples is having different beliefs or attitudes towards money, coined previously as money scripts (Klontz, Kahler, & Klontz, 2008). Differing money scripts between partners can cause a breach in understanding of their partner's internal experience around money that may lead to misunderstanding and conflict. This may be magnified for copreneurs, or romantic partners, who integrate a personal and working relationship within a business's ownership structure. In this unique arrangement of personal and professional relationships, the traditional lines separating work and home life are either nonexistent or blurred. This paper serves to explore the conflict through a hypothetical case study and provides detailed financial therapy interventions that may be used to help copreneurs who are experiencing money conflict. The outline of interventions serves to aid financial therapists in their work with clients who are part of a family-owned business by helping these clients better communicate through the unique dynamics of a copreneur relationship.

Keywords: copreneurs; money scripts; financial therapy; case vignette

ISSN: 1945-7774

INTRODUCTION

Approximately eight to ten million businesses in the United States have a type of familial business relationship (Muske et al., 2009). The vast majority of these family businesses will not succeed beyond the fourth generation (Gagne et al., 2019). Family businesses are at risk due to their structure being inherently more complicated because of the blurred lines between business and personal family relationships. A potential cause for this high rate of failure is the inability to address differences in values, attitudes, and beliefs around money between the business partners, or as Klontz, Kahler, & Klontz (2008) call them, "money scripts" (p. 63). Money scripts are unconscious beliefs around money that can be hard to change and are sometimes harmful beliefs associated with poor financial health (e.g., high levels of credit card debt, lower net worth) (Klontz & Britt, 2012; Klontz & Klontz, 2009). When the boundaries between personal and business relationships are not as easily separated, as is the case for family-owned businesses, these money script associations could impact both the personal and business relationships. In all family businesses, the business's financial success is a critical component of the owners' financial plan (Dana & Smyrnios, 2010).

Based on previous literature, we propose the potential benefits of utilizing money scripts and related interventions when working with business owners. More specifically, we focus on copreneurs who are married or common-law married couples who are in partnership in the business (Helmle et al., 2014). Copreneurs integrate a personal and working relationship within the ownership structure (Fitzgerald & Muske, 2002). This unique type of ownership structure provides a lens to explore the overlap between personal finances and business finances because copreneurs intermingle personal and business assets at a much higher rate than other family business configurations (Muske et al., 2009). Much of the information presented in this paper could be adapted to different types of family business configurations. However, central to the purpose of the paper, the unique relational, psychological, and financial characteristics of copreneurs are explored.

Financial professionals receive little training regarding relationship dynamics and may view attending to the indirect, personal, and relational dynamics of copreneurs as outside the purview of their planning services (Dubofsky & Sussman., 2009; Tucker, 2011). Likewise, mental health professionals receive little training in their training programs on how to specifically work with this population financially (e.g., Cole & Johnson, 2012a; Strike et al., 2018). Financial therapy modalities, theories, and assessment tools have shown to be useful when working with the overlap among personal finance, emotional, psychological, and relational issues (e.g., Glenn et al., 2020; Kim et al., 2011; Klontz, Kahler, & Klontz, 2008). A popular area of study within financial therapy and financial psychology is money scripts. However, to our knowledge, no specific application of financial therapy nor money scripts to copreneurs has been published in the literature. This paper seeks to fill this void by exploring how money scripts may impact the family business relationship while providing tools for the assessment, and potential transformation, of money scripts to aid the relationship dynamics of copreneurs.

ISSN: 1945-7774

LITERATURE REVIEW

The following section will review important concepts as they relate to the purpose of this paper. Copreneurs will be further discussed as relevant to dynamics around decision-making and household responsibilities. Money scripts will then be reviewed as they connect to copreneurs, as well as potential problematic money behaviors.

Copreneurs

Research has suggested that copreneurs are less successful in profit and perceived success than other business models (Danes & Olson, 2003; Fitzgerald & Muske, 2002; Muske et al., 2009). Family-owned businesses that are copreneurs differ from other firms in that the principal-agent relationship is not clearly defined and separated (Griffeth et al., 2006; Pospíšilová, 2018). In a principal-agent relationship, ownership and management roles are separate, and often management is accountable to the firm's owners according to their employment contract (Chua et al., 2003; Sharma, 2004). Copreneurs find shifting responsibilities in the household, with more professional tasks moving from the husband to be shared by both the husband and wife (Halbesleben et al., 2010). However, responsibilities do not seem to shift from the wife to be shared by both the husband and wife (Halbesleben et al., 2010). These dynamics tend to blur the boundaries of home and office (Fitzgerald & Muske, 2002; Johnston, & Hausman 2006; Rutherford et al., 2006). Copreneurs may consider the importance of their couple relationship as a higher priority than the business relationship, creating opposing values and goals (Cole & Johnson., 2012b). This potential opposition of values and goals is an opportunity for financial therapists to help define and redefine the roles as family members and as business owners (Fitzgerald & Muske, 2002).

Money Scripts

Traditional economic theories lead us to examine copreneurs without regard to each owner's dynamics, especially without regard to how habits, values, and behaviors have developed over time (Combs et al., 2019). According to Klontz, Kahler, & Klontz (2008), individuals develop an unconscious set of beliefs about money in childhood that are culturally bound and influenced by multigenerational dynamics. This set of beliefs is referred to as money scripts and shapes our behaviors around finances, money management, and financial goals (Klontz, Kahler, & Klontz, 2008). The concept of money scripts is a cultural component that unconsciously defines individuals' relationships with money and others, including intimate partners. Money scripts are often resistant to change because of their development through emotionally charged childhood life events (Klontz & Klontz, 2009). The unconscious nature of money scripts may make it difficult to articulate emotions and thoughts around money to their business partners who are also intimate (Klontz & Klonz, 2009). The unawareness can contribute to significant conflict over money-related issues among intimate partners (Klontz & Klonz, 2009) and possibly business partners. While money scripts are inherently amoral, if left to the unconscious, they can drive behaviors without intent (Klontz, Kahler, & Klontz, 2008).

ISSN: 1945-7774

One assessment tool for money scripts is the revised version of the Klontz Money Script Inventory (KMSI-R), a measurement tool designed to identify a client's underlying money beliefs (Begina et al., 2018). The KMSI-R helps practitioners assess a client's beliefs around money, while also raising awareness for the client about their own unconscious beliefs. Individuals who take the KSMI-R may find a weak or strong association with one or more money scripts, which may help them understand their own positive and negative financial behaviors. In some cases, stronger associations with certain money scripts are connected with more harmful financial behavior (e.g., gambling, hoarding, workaholism). In other cases, some may have an association to one or more money scripts and present with both positive and negative financial behaviors. As such, this may in and of itself represent a level of complexity in utilizing money script assessments with clients (i.e., one client exhibiting a strong association with one money script, and the other client exhibiting a strong association with another money script). Regardless, the KMSI-R can help clients become aware of their own money beliefs and behaviors, whether positive or negative.

With proper training, a financial therapy practitioner could administer the KMSI-R to the copreneurs and then counsel them on managing differences in money scripts. These differences could proactively be addressed to prevent conflicts over the management of the business. In the case of a mental health or financial professional who administers the KMSI-R but does not wish to move into the financial therapy arena, having insights on money scripts can allow them to understand the presenting conflict and make an appropriate referral. Here, the four primary money scripts (i.e., avoidance, worship, status, and vigilance) discussed in the literature are described in further detail.

Money Avoidance. Money avoidance scripts are associated with negative behaviors, such as ignoring bank statements or neglecting to keep to a budget (Klontz & Britt, 2012). It is associated with a lower net worth and overall poor financial health, along with the belief that money is evil. Money avoiders may also believe that they do not deserve money, that wealthy people are greedy or corrupt, and that there is a virtue in living with less money (Klontz & Britt, 2012). These behaviors may be particularly detrimental to a copreneur tasked with overseeing and managing the business finances. For example, a family business with a copreneur carrying money avoidance scripts may resist or even fail to create or follow a cash flow management plan. Also, a money avoidant business owner may be tempted to avoid looking at bank accounts, potentially causing vendor payments, collections, or tax accounting issues.

Money Worship. People with money worship scripts believe that money will solve all their problems (Klontz & Britt, 2012). They may spend compulsively and go into debt, put work ahead of others (i.e., workaholism), and give others money even if they cannot afford the gift (Klontz & Britt, 2012). Money worshipers are prone to buying things to achieve happiness; however, they may find that the pursuit of money never quite satisfies them. A copreneur who spends compulsively and goes into debt for their business may cause cash-flow and credit issues. Running a business is generally more involved than working an hourly position, making it easy for a copreneur to work long hours. A copreneur that puts work

ISSN: 1945-7774

ahead of others may benefit the business in the short term, but it may harm their close or social relationships and lead to burnout and conflict in the long-term.

Money Status. People with money status scripts tend to exhibit overspending tendencies (Klontz & Britt, 2012) and may be prone to overspending on fancy offices or overly expensive business equipment. They may also want the company to buy things for the owners, like luxurious company cars, which can put the business's sustainability at risk. There may be a monetary sense of virtue and that money will come to them and assume that outside forces will magically bring money (Klontz & Britt, 2012). This attitude may be problematic for copreneurs because they may refrain from creating a systematic business plan or stray from traditional best practices, leaving business decisions up to fate. With copreneurs, this may cause conflict when these magical funds fail to materialize. Because the partners were unable to set the business up for success, they may blame each other for the failure rather than take concrete steps toward steering the company back on track. Money status scripts may also lead to overspending tendencies (Klontz & Britt, 2012).

Money Vigilance. Research has indicated that people who fall into the money vigilance category are less likely to buy something they cannot afford and are more vigilant with tracking their finances. Still, they may also have anxiety about their financial situation (Klontz & Britt, 2012). A copreneur with money vigilance scripts may be less likely to have cash-flow or credit issues for their business than others with different dominant money scripts. They also may be more likely to stick to a cash-flow plan and promptly pay their bills; however, they may be more risk-averse in their business due to their anxieties around money. In a copreneurship, the company may be the sole income for an entire family unit. In this case, a money vigilant owner may have increased anxiety around money because of concern that the business's failure will not only fail them but the family as a whole. A copreneur with the money vigilance script may be less likely to take appropriate risks, such as expanding into new markets or hiring more staff, preventing the business from growing. Their frugality may result in underpaying themselves and their employees, creating unnecessary turnover and negatively impacting profitability.

It is important to reiterate that having a money script does not necessarily mean that a person is "unhealthy" or will participate in unhealthy financial behaviors (Klontz, Kahler, & Klontz, 2008). However, research has shown that unknowingly holding certain money scripts can be correlated with certain financial behaviors. The next section of the paper will describe preliminary research that has found correlations between money scripts and money disorders (Klontz et al., 2015).

Correlations Between Money Scripts and Behaviors

Financial Infidelity. Open communication is central to copreneurs (Helmle et al., 2014), especially with the understanding that withholding financial information could destroy a copreneur relationship. Research has shown that money status scripts are positively associated with financial infidelity (Klontz et al., 2011; Klontz et al., 2015). A copreneur with money status scripts may tend to withhold financial information from their

ISSN: 1945-7774

business partner. Therefore, a partnership with at least one partner with money status scripts should be aware of this tendency to withhold financial information. Frequent financial check-ins may be necessary to keep the communication lines open. Conversely, the money vigilance script was negatively correlated with financial infidelity (Klontz et al., 2011). Partners with money vigilance scripts may tend to be more open about financial issues with their partners.

Financial Denial. Like financial infidelity, research has found that financial denial is positively correlated with money status scripts and negatively associated with money vigilance scripts (Klontz et al., 2011). A partner with money status scripts may avoid discussing finances or tackling financial issues and may not pull their weight with routine financial business, such as filing tax returns. In the case of financial denial, frequent financial check-ins between partners will ensure that a partner with money status scripts is fully participating in the business's financial life. The money vigilance scripts were negatively correlated with financial denial, meaning partners that fall into this category are unlikely to avoid financial issues and are more likely to keep up on routine financial business.

Workaholism. Klontz and colleagues (2011) found that those with money avoidance and money worship scripts are positively associated with workaholism. If one partner tends toward workaholism, this may cause a difference in workloads. For example, workaholism was found to be an issue when interviewing medical doctors in partnered practices. Differences in workload were the main concern regarding morale between partners in these medical offices (Huby et al., 2002). People who struggle with money avoidance and money worship scripts need to be aware of workaholism tendencies and proactively address them before they may impair the copreneur partnerships.

Compulsive Buying. Research has indicated that individuals who associate with money vigilance are less likely to display compulsive buying characteristics, while other money scripts are positively correlated (Klontz et al., 2011). Copreneurs with the money scripts related to compulsive buying should monitor their business spending carefully. A tendency to buy compulsively could cause the business to increase expenses excessively, decreasing the business's profits. Copreneurs with the money vigilance scripts may consider taking the role of managing or closely supervising business purchases. Their negative correlation with compulsive buying would mean they are less likely to overspend.

Gambling. Klontz et al. (2011) found that money status scripts are positively correlated with gambling, but the money vigilance scripts are negatively correlated. It would be necessary for any copreneur that suffers from the money status scripts to abstain from any gambling activities in the course of business. Suppose a copreneur is deciding on entertainment activities for the business or clients. In that case, it is best for a copreneur with the money status scripts to avoid any gambling and instead choose another form of activity. It may be that through business, the copreneurs must participate in gambling activities. If, for example, an industry conference is located at a casino, it would be advised for the copreneur with the money vigilance scripts to participate in that activity. This behavior can also show up within the context of running the business when a copreneur makes precarious

ISSN: 1945-7774

decisions that have a high probability of failure (e.g., speculating on stocks with funds set aside in cash reserves as an emergency fund for the business).

Differing money scripts between copreneurs may be advantageous or detrimental, depending on compatibility and severity. As discussed above, those with money vigilance scripts were negatively correlated with certain money disorders, while money avoidance, money worship, and money status categories were positively correlated (Klontz & Britt, 2012). Because of this, a copreneur with vigilance scripts may be the right balance for a partner with one of the three latter scripts (i.e., money avoidance, money worship, and money status). The copreneur with the vigilance scripts may help their partner avoid negative money behaviors. Meanwhile, a copreneur with one of the three latter scripts may also balance the partner with the vigilance scripts by discouraging their anxieties around money and helping them to take risks. Additionally, a copreneur with a strong association with a money script, or none at all, may balance the partner's money script association. One partner may show negative behavior and the other positive behavior to the same money script, depending on their cognition regarding their relationship with money.

As already mentioned, differing money scripts between partners may also create conflicts in the personal and business relationship. Due to differences in money scripts, each copreneur partner within the couple may make vastly different business decisions. In the case of these conflicts, financial therapy interventions may be used as demonstrated in the following hypothetical case example.

HYPOTHETICAL CASE VIGNETTE

Based on the authors' diverse clinical experiences across various mental health and financial settings, a case vignette was developed. While fictional, this case vignette was designed to help illuminate the potential money conflict present with copreneurs and the potential of completing money script work within a financial therapy setting. The vignette would change slightly if the family-owned business constituted a different family configuration (e.g., father-son, mother-daughter, siblings, etc.), but the underlying themes would be transferable. Future work with copreneur couples, utilizing examples in this vignette, could lead to evidence-based research demonstrating the potential use and success of money script assessments and interventions.

John and Sue are copreneurs and experience money conflict for their business and personal lives. John has money vigilance scripts whereby he spends and invests company funds very cautiously and conservatively. He is slower than his wife, Sue, to commit to investment opportunities and values open communication on how money is spent.

Sue has money status scripts and is much more willing to invest company funds in higher-risk ventures, product costs, and company operations. She invests more quickly in increased profitability opportunities. Sometimes, she does not fully inform her husband when she makes decisions to spend company funds or does not think the financial decision was significant enough to discuss. Both partners are aware of this dynamic, so they do not

ISSN: 1945-7774

categorize it as financial infidelity, but conflict does arise from her lack of sharing information.

Both partners are generally fiscally responsible. However, conflict arises in the form of frequent arguments at home and at work, disagreements about purchases, the company's direction, and disputes about the family's financial security. John wants to seek help from a financial therapist to set up a financial plan to mediate these differences, but Sue does not see the need for outside assistance. After multiple arguments and at John's insistence, Sue agreed to seek financial therapy with John.

During the initial financial therapy engagement meeting, John and Sue both expressed a lack of understanding of the reasons for the other partner's financial management decisions. When asked about how each feels about the other's money management style, John stated that he was concerned that Sue was inappropriately spending money without his knowledge. In contrast, Sue felt that continually checking in with him constrains the company from capturing opportunities, especially when time is essential in a transaction. During that engagement, the financial therapist gathered financial documents (e.g., financial statements) to understand each person's perspective as well as assigned each partner to complete the money script assessment (KMSI). By analyzing the documents and assessment results and reflecting upon initial comments from each partner about their goals for financial therapy, the practitioner recognized that the couple arrived at different conclusions when faced with business decisions about large expenditures. This difference in money management styles increases the level of distrust and conflict between them. These two partners will be used as examples when demonstrating the financial therapy interventions that help identify and modify money scripts first introduced in Klontz, Kahler, & Klontz (2008).

RECOMMENDED FINANCIAL THERAPY INTERVENTIONS FOR COPRENEURS

Recommended financial therapy interventions that could be utilized with copreneurs are described below. As previously mentioned in this paper, a trained professional should only use these interventions to explore the copreneurs' relationships with money and how they impact the personal and business relationship. Without training, the use of these interventions may violate a professional's scope of competence and cause more harm than help to copreneur clients. However, these interventions could provide important insights to you and your clients that may enable you to make an appropriate referral to a financial therapist if you believe it is outside your scope of competence.

Money Script Log

The money script log is "an adaptation of a cognitive behavioral therapy technique designed to help clients identify their feelings, behaviors, and automatic thoughts around money" (Klontz, Kahler, & Klontz, 2008, p. 87). When the money script log is applied to copreneurs, partners document their money scripts and observe any connections or patterns over time. This intervention allows each partner to challenge and modify their unproductive

ISSN: 1945-7774

money scripts. The client may notice themes in their thinking that they need to work on more.

Using the vignette above, John and Sue could share their logs to help communicate or clarify each partner's internal struggles. The records track how their money scripts manifest in both their personal and business finances. In a controlled environment with the financial therapist, the goal for this strategy is to have each partner communicate their money scripts with the other, how they feel about their money scripts, and what they learned about their partner's money scripts. For John and Sue, they may come to a common place to understand that their differing money management styles are rooted in how they unconsciously feel and think about money. This common place would help facilitate any future work with a financial planner, financial therapist, or mental health therapist. The future work could emanate from this common point of agreement versus any feelings of mistrust or hurt before their money scripts are communicated openly.

Nonviolent Communication

Couples often have difficulty talking about topics that have caused conflict in the past. If copreneurs have difficulty navigating financial communication, a financial therapist can teach them the basics of and facilitate nonviolent communication (NVC). NVC allows people to communicate in a more empathetic and understanding way (Rosenberg, 2003; Billikopf, 2012). The goal is to help clients have precise observations of what they feel is causing them to feel reactive in order to elucidate better what they need (e.g., to feel loved or to feel safer) from their partner. Once a client has helped their partner understand their feelings and what they need from them, the client will be better positioned to request to get their needs met. NVC identifies criticism, denial of responsibility, demands to be heard, and comparisons as detractors from communications (Rosenberg, 2003). Communication skills are essential for all business partners, but especially for copreneurs, as relational satisfaction is associated with financial communication (e.g., Archuleta et al. 2013; Britt et al. 2017; Kelley et al. 2018).

In the vignette, both John and Sue did not consider their differing money management styles to be financial infidelity as they both were aware of and talked about it openly. However, during the initial engagement, the financial therapist witnessed hostility and anger in communicating with each other about their financial decisions. John used the phrase "wasting our money," expressing resentment towards Sue's decision to spend money without consulting him. Sue, in turn, said, "you can't recognize a time to make a profit and invest our money." While a limited exchange, the style and tone of communication represent the conflict that brought them to the financial therapist. Teaching NVC techniques helps facilitate open and empathetic communication styles, so that conflicting money management styles do not result in open anger, hostility, and resentment like the above exchange. Instead, the copreneurs will communicate what they need to feel valued as part of the business and personal relationship.

ISSN: 1945-7774

"Dow Jones" Money Timeline

This exercise from Klontz, Kahler, & Klontz (2008) is a way for clients to visually show critical trends and significant experiences with their relationship with money. It gives insights into experiences that formed or reinforced strong beliefs in the client's money script. In this exercise, the client draws a horizontal line on a sheet of paper as a timeline and then adds dots on the timeline to represent their money memories. Dots, representing pleasurable memories, are placed above the line, and negative memories are placed below the line. This strategy aims to facilitate open conversations between each partner about their money history, not only with each other but also with themselves. Frequently, money scripts make sense to each person once each has fully explored their own money histories do.

Referring back to the vignette, John and Sue completed the exercise independently and then shared their timeline. During this sharing, it was crucial that each partner was willing to share their experiences openly and how they felt about the other's money experiences. John shared that he believes he is money vigilant due to his bankruptcy experience at a previous company. He was in a business partnership before meeting his wife, where the other partner committed fraud. Sue shared that while she was growing up, she saw her classmates afford new clothes, go to camps each summer, and own new cars when they were old enough to drive. These experiences helped form her belief that her worth is the same as her net worth, so they must invest their money to earn the highest and quickest return to be valued as a person and as a business owner.

The case vignette further reinforces the blurred lines between business and personal finances for copreneurs. While John's history is based more on his business relationships, and Sue's is more firmly rooted in her personal life, their histories currently impact their business and personal lives. Having partners talk about their "Dow Jones" money timelines with each other would allow a better understanding of how significant experiences shape each partner's perceptions of current experiences.

Life Aspirations and Goals Exercises

The Your Life Aspirations Exercise by Klontz, Kahler, & Klontz (2008) allows clients to clarify aspirations and develop goals to reach their aspirations. They defined life aspirations as "lifetime goals or dreams that are so big and expansive that completion dates cannot be attached to them." Goals are measurable actions one does to fulfill one's aspirations. Using the Your Life Aspirations Exercise, the practitioner asks clients to imagine (a) what they would receive from a fairy godmother that can grant any wish for them or (b) what people would say at the client's funeral (Klontz, Kahler, & Klontz, 2008). The client then takes ideas from these thought experiments to identify the underlying dreams or characteristics. The client expresses the underlying dreams or characteristics as phrases starting with the words "to be." For example, if you want to take your wife on a romantic getaway, this may satisfy your desire to be a good husband, so you would write, 'to be a good husband.' Once life aspirations are clarified, the client develops their authentic goals. The exercise begins with writing down goals to reach these aspirations, narrowing them to goals

ISSN: 1945-7774

that excite the client, prioritizing the goals, testing the goals for authenticity and attainability, and then developing tasks to achieve the goals. Couples are encouraged to compare each of their five goals and combine them to create shared goals.

Copreneurs could use a similar set of exercises to identify their shared goals for the company and their family. They would first start with the life aspirations exercise for their aspirations and goals. This exercise would then be followed by identifying the company and family goals that support their aspirations and goals. For example, John and Sue wanted to develop a company that produces large amounts of cash flow distributed to the owners rather than needing to be reinvested into the company. They started sharing their personal goals for the company. In this step, the process should not be rushed to allow each partner to communicate their goals fully and for the other partner to fully understand their business partner's aspirations and goals.

They now have enough knowledge of themselves and their partner to develop a set of shared goals for the company. John wanted to work longer hours to maximize the financial return to the couple. He defined their aim as "to be diligent and hard-working." Sue wanted to distribute more cash for the chamber of commerce, conferences, and club memberships. She defined their aim as "to be an active leader in the business community." However, John thinks clubs and conferences are a waste of time and money, while Sue believes they provide valuable visibility and contacts for the company.

Notice that the partners must negotiate two scarce resources: (a) cash from the company and (b) the company's time. The couple can now negotiate pay structures that differ between the two of them. In this case, this intervention allows John and Sue to negotiate how time is spent. John decided to take a larger salary based on his long hours. Sue chose a lower base salary with incentive compensation based on new business sourced from their club and conference contacts. Regardless of the logistics, all of these interventions are less about behavioral changes and more about the business partners understanding one another's money scripts to understand one another's money behaviors.

The goal in facilitating money script work with copreneurs is to bring an awareness of unconscious beliefs about money, how the scripts were formed, and what impact the scripts have on their financial decisions. In the hope that by recognizing and understanding their own and their partner's money script, it will enable them to form a more open and cohesive partnership that can work towards their shared goals.

LIMITATIONS

Practitioners must understand the limitations associated with implementing any of the recommended strategies. Professionals should only utilize interventions described within this paper with formal training in the area of financial therapy. Additionally, working with family-owned businesses is a specialty of its own (e.g., family business consulting) and should only be pursued by those with training and familiarity in the complexities of the intersection of personal and business relationships. Practitioners should ultimately consult

ISSN: 1945-7774

their code of ethics and understand their scope of competence before implementing any of the strategies outlined in this paper. Practitioners should consider clients' willingness to complete assessments and recommended interventions. Services should be appropriate and adapted to each client as needed. These adaptations should take into consideration cultural differences between the practitioner and clients, as well as between the clients themselves. It is beyond the scope of this paper to explore each of these possible adaptations. However, like all financial therapy interventions, the strategies recommended in this paper should be client-focused and appropriate to each client based on their presenting problems and background. Any misuse of these interventions may cause long-lasting harm to clients.

The paper sought to adapt money scripts and relate selected exploratory and theoretical financial therapy interventions applicable to engagements with copreneur clients. Not only does the paper extend the reach of the original money script literature to include copreneurs, but the paper also assumes a level of adaptability beyond copreneurs. Further research is recommended to include copreneur client samples to assess the validity of money scripts and effectiveness of the interventions posed here.

CONCLUSION

The limited number of studies about financial therapy as it relates to business partners, including copreneurs, is surprising since business partnerships are certainly not without interpersonal conflict (Wasserman, 2012). Wasserman (2012) found that 65% of start-ups fail due to co-founder conflict in terms of their money management styles, personality styles, and conflict resolution approaches. Zellweger et al. (2012) shed insight on this statistic as not being fully accurate because families often make positive contributions to businesses. The high rate of failures may result from business transfers rather than solely deficits in the family business structure. Regardless, it is important to note that copreneurs, as a subset of family-owned businesses, have the potential to experience high degrees of conflict over differences in financial management styles due to the often-blurred lines between family and business. These conflicts may cause the dissolution of an otherwise viable business or personal relationship in the form of divorce or separation.

Clients currently have few options to turn to for help in navigating differences in their foundational money beliefs in the context of their family-owned business's finances. They may have intense disagreements about each other's financial management styles, but few partners likely explore the motivating underlying money beliefs. If the disagreements become intense enough, copreneurs may likely first turn to legal mediators, attorneys, or accountants because they do not recognize the personal involvement in the disagreements. However, these professionals tend to be ill-equipped to work through the conflict's cognitive, emotional, behavioral, and relational aspects. This is an area where a financial planner or a mental health professional with financial therapy skills can add value to address the conflict and help their clients forge a plan agreed upon by both partners. As described in the case vignette, money scripts provide intimate partners and family members with a powerful understanding of the beliefs that drive each other's financial behaviors. Future research

ISSN: 1945-7774

should test the efficacy of the recommended financial therapy interventions with copreneurs and other family-owned business structures.

ISSN: 1945-7774

REFERENCES

Archuleta, K. L., Grable, J. E., & Britt, S.L. (2013). Financial and relationship satisfaction as a function of harsh start-up and shared goals and values. *Journal of Financial Counseling and Planning.*, 24 (1), 3-14.

Begina, M., Hickingbottom, J. Grogan Lutrell, E., McCoy, M. & Klontz, B (2018). Identify and understand clients' money scripts: A framework for using the KMSI-R. *Journal of Financial Planning,* 31 (3), 46-55.

Billikopf, G. (2012). Nonviolent communication: A language of life. *International Journal of Conflict Management*, 23 (3), 333-335. https://doi.org/10.1108/10444061211249029

Britt, S. L., E. Hill, J., LeBaron, A., Lawson, D.R., & Bean, R.A (2017). Tightwads and spenders: Predicting financial conflict in couple relationships. *Journal of Financial Planning,* 30 (5), 36-42.

Chua, J. H., Chrisman, J. J., & Sharma, P (2003). Succession and nonsuccession concerns of family firms and agency relationship with nonfamily managers. *Family Business Review*, *16*(2), 89-107. https://doi.org/10.1111/j.1741-6248.2003.00089.x

Cole, P. M., & Johnson K.J. (2012a). A perfect fit: Connecting family therapy skills to family business needs. *Journal of Marital and Family Therapy*, 38, 63-71. https://doi.org/10.1111/j.1752-0606.2012.00300.x

Cole, P. M., & Johnson, K. (2012b). What's Love Got to Do with It? Marriage and Divorce in Family Business. *In Understanding Family Businesses* (pp. 73-93). Springer.

Combs, J. G., Shanine, K. K., Burrows, S., Allen, J. S., & Pounds, T. W (2019). What do we know about business families? Setting the stage for leveraging family science theories. *Family Business Review*, 1(26), 1-26. https://doi.org/10.1177%2F0894486519863508

Dana, L. E., & Smyrnios, K. X. (2010). Family business best practices: Where from and where to? *Journal of Family Business Strategy*, *1*(1), 40-53. https://doi.org/10.1016/j.jfbs.2009.12.002

Danes, S. M., & Olson, P. D. (2003). Women's role involvement in family businesses, business tensions, and business success. *Family Business Review, 16*, 53-67. https://doi.org/10.1111/j.1741-6248.2003.00053.x

Dubofsky, D., & Sussman, L. (2009). The changing role of the financial planner Part 1: From financial analytics to coaching and life planning. *Journal of Financial Planning, 2*2 (8), 48-57.

Fitzgerald, M.A. & Muske, G. (2002). Copreneurs: An Exploration and comparison to other family businesses. *Family Business Review*, 9 (1), 1-16. https://doi.org/10.1111/j.1741-6248.2002.00001.x

Gagne, M., Marwick, C., Brun de Pontet, S., & Wrosch, C. (2019). Family business succession: What's motivation got to do with it? *Family Business Review*. https://doi.org/10.1177/0894486519894759

Glenn, C.E., Caulfield, B., McCoy, M., Curtis, J., Gale, N.C., & Astle, N. (2020). An annotated bibliography of financial therapy research: 2010 to 2018. *Journal of Financial Therapy,* 10(2). https://doi.org/10.4148/1944-9771.1218

ISSN: 1945-7774

Griffeth, R. W., Allen, D.G., & Barrett, R. (2006). Integration of family-owned business succession with turnover and life cycle models: Development of a successor retention process model. *Human Resource Management Review,* 16 (4), 490-507. https://doi.org/10.1016/j.hrmr.2006.08.006

Halbesleben, J. R., Zellars, K. L., Carlson, D. S., Perrewé, P. L., & Rotondo, D. (2010). The moderating effect of work-linked couple relationships and work–family integration on the spouse instrumental support-emotional exhaustion relationship. *Journal of Occupational Health Psychology*, *15*(4), 371. https://psycnet.apa.org/doi/10.1037/a0020521

Helmle, J. R., Botero, I. C., & Seibold, D. R. (2014). Factors that influence perceptions of work-life balance in owners of copreneurial firms. *Journal of Family Business Management, 4*(2), 110-132. https://doi.org/10.1108/JFBM-06-2014-0013

Huby, G., Gerry, M., McKinstry, B., Porter, M., Shaw, J., & Wrate, R. (2002). Morale among general practitioners: Qualitative study exploring relations between partnership arrangements, personal style, and workload. *British Medical Journal,* 325 (140), 1-5. https://doi.org/10.1136/bmj.325.7356.140

Johnston, W. J., & Hausman, A. (2006). Expanding the marriage metaphor in understanding long-term business relationships. *Journal of Business and Industrial Marketing, 2*1 (7), 446-452. https://doi.org/10.1108/08858620610708939

Kelley, H. H., LeBaron, A. B., & Hill, E. J. (2018). Financial stress and marital quality: The moderating influence of couple communication. *Journal of Financial Therapy*, 9 (2), 3. https://psycnet.apa.org/doi/10.4148/1944-9771.1176

Kim, J., Gale, J., Goetz, J., & Bermúdez, J. M. (2011). Relational financial therapy: An innovative and collaborative treatment approach. *Contemporary Family Therapy, 33*(3), 229-241. https://doi.org/10.1007/s10591-011-9145-7

Klontz, B. T**.**, Bivens, A, Klontz, P. T., Wada, J., & Kahler, R. (2008). The treatment of disordered money behaviors: Results of an open clinical trial. *Psychological Services (5)*3, 295-308. https://psycnet.apa.org/doi/10.1037/1541-1559.5.3.295

Klontz, B. T., & Britt, S. L. (2012). How clients' money scripts predict their financial behaviors. *Journal of Financial Planning*, 25 (11), 33-43

Klontz, B. T., Britt, S. L., & Archuleta, K. L. (Eds.) (2015). *Financial Therapy Theory, Research, and Practic*e. Springer Publishing.

Klontz, B., Britt, S. L., Mentzer, J., & Klontz, T. (2011). Money beliefs and financial behaviors: Development of the Klontz Money Script Inventory. *Journal of Financial Therapy*, *2*(1), 1-22. https://doi.org/10.4148/jft.v2i1.451

Klontz, B., Kahler, R., & Klontz, T. (2008). *Facilitating financial health: Tools for financial planners, coaches, and therapists.* National Underwriter Company.

Klontz, B. & Klontz, T (2009). *Mind over money: Overcoming the money disorders that threaten our financial health*. Crown Business.

Muske, G., Fitzgerald, M. A., Haynes, G., Black, M., Chin, L., MacClure, R., & Mashburn, A. (2009). The intermingling of family and business financial resources: Understanding the copreneurial couple. *Journal of Financial Counseling and Planning*, 2*0*(2), 27-91.

Pospíšilová, M. (2018). Cultural repertoires of the division of labour market and family responsibilities between Slovak entrepreneurial couples and their gendered nature. *The Dynamics of Entrepreneurial Contexts*. Edward Elgar Publishing.

ISSN: 1945-7774

Rosenberg, M. B. (2003). *Life-enriching education: Nonviolent communication helps schools improve performance, reduce conflict, and enhance relationships.* PuddleDancer Press.

Rutherford, M. W., Muse, L. A., & Oswald, S. L. (2006). A new perspective on the developmental model for family business. *Family Business Review*, *19*(4), 317-333. https://doi.org/10.1111%2Fj.1741-6248.2006.00079.x

Sharma, P. (2004). An overview of the field of family business studies: Current status and directions for the future. *Family Business Review*, *17*(1), 1-36. https://doi.org/10.1111/j.1741-6248.2004.00001.x

Strike, V. M., Michel, A., & Kammerlander, N. (2018). Unpacking the black box of family business advising: Insights from psychology. *Family Business Review,* 31 (1), 80-124. https://doi.org/10.1177%2F0894486517735169

Tucker, J. (2011). Keeping the business in the family and the family in business: What is the legacy? *Journal of Family Business Management,* 1 (1), 65-73. https://doi.org/10.1108/20436231111122290

Wasserman, N. (2012). *The founder's dilemmas: Anticipating and avoiding the pitfalls that can sink a start-up*. Princeton University Press.

Zellweger, T. M., Nason, R. S., & Nordqvist, M. (2012). From longevity of firms to transgenerational entrepreneurship of families: Introducing family entrepreneurial orientation. *Family Business Review*, *25*(2), 136-155. https://doi.org/10.1177%2F0894486511423531

ISSN: 1945-7774