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Voices: Philanthropy Enriches Advisers and Clients

An advisory firm's charitable activities can boost team spirit and deepen conversations with clients about their giving

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Kathy Muldoon PHOTO: JAMES EDWARD

Financial-planning firms can benefit by incorporating philanthropy into their operations. Donating time, money or talents can be personally fulfilling for a firm's principals and employees, and it can enhance the conversation about philanthropy with clients.

Every year, for about 35 years, our firm has set aside a couple of days for everyone on staff to participate together in community service. Activities have included cooking and serving meals at the Salvation Army and sorting clothes and

other donations at another nonprofit.

Everyone has the opportunity to nominate an organization to which we might contribute our time. The only requirement is that it's something we can do collectively. What leads to real engagement, passion and connection are those things that come out of deep convictions.

Through these experiences, we see skills among our colleagues that might not be seen day-to-day—organizational skills, people skills, physical skills and endurance. Philanthropy gives our employees a chance to bond while being engaged in the community.

It also provides a touchstone to open discussions about philanthropy and giving back with clients. Talking about my community-service experiences is a door opener to a deeper conversation and understanding of what's important to clients and where philanthropy might fit into their financial plans.

For example, a retired client who believes deeply in early-childhood literacy may want to explore options to support that cause. The client may want to spend time at the library reading to kids, which is no less valuable than writing a check to a literacy organization—and it may be a wildly enriching phase of his or her life. The beauty of our business is that we have the responsibility to approach each client's unique values, goals and challenges individually and beyond simply managing money.

Topics of philanthropy and community service can be a good segue to discussions of legacy. If clients aren't philanthropic in their lifetimes, they still may want to leave something to an organization when they're gone. Maybe a client has a relative with special needs; we talk about the charities that provide support services. These can be remarkably affirming, far-reaching conversations.

To the extent that advising engagements can be very long-term, to the extent that you become the trusted family adviser, that understanding is an important quality that helps you do your job better. I am richer for the community service I participate in and the conversations it leads to with clients. I believe clients are enriched, as well, because through these conversations, they can articulate for themselves and for me what their philanthropic interests are.