

Steve Leimberg's Estate Planning Email Newsletter - Archive Message #3041

Date: 30-May-23

From: Steve Leimberg's Estate Planning Newsletter

Subject: [Amanda Koplin & Martin M. Shenkman: Mental Health Considerations for Financial Advisers, Attorneys, CPAs, and other Professionals](#)

“Clients want a motivated, ambitious, type-A advisor who will work vigorously for their interests and identify with the challenges clients encounter. These are the people clients seek when it comes to hiring the professionals whose advice will literally determine their futures, and many of these professionals are the personality types who are typically attracted to high stress, high payout, high prestige jobs. They also tend to care an incredible amount about their clients and can over personalize not only what’s happening in their clients’ lives, but also how their decisions impact their clients’ futures, even in circumstances beyond their control.

So, what happens when these personality traits, mixed with the stressors of the professional career, compounded by identifying with difficult challenges clients face, affect a large group of people? As would be expected, the health, performance, and quality of life consequences can be quite negative. These are issues no firm, or practitioner, should ignore. These issues, if not addressed, can have a profound impact on firms and the profession, but most significantly to the individual professional who is affected, and their families.”

Amanda Koplin and **Martin M. Shenkman** provide [LISI](#) members with commentary that examines mental health considerations for financial advisers, attorneys, CPAs, and other professionals.

Amanda Koplin, LPC is a mental health counselor, entrepreneur and thought leader who creates innovative solutions to fill gaps in the mental healthcare system. In 2014, she created and developed an idea for a mental health urgent care clinic and sold it in 2016 to create Koplin Consulting, a nationwide concierge mental health treatment team service. Amanda is passionate about helping people achieve mental wellness and creating sustainable support systems and solutions which integrate seamlessly into real life. She is a speaker and a nationally sought after consultant who specializes in creating unique treatment plans and recommendations for individuals struggling with psychological concerns

such as addictions, eating disorders, lack of motivation, and other issues impacting mental wellness. She is particularly adept at involving trusted advisors and family members in order to create the greatest impact.

Martin M. Shenkman, CPA, MBA, PFS, AEP, JD is an attorney in private practice in New York City who concentrates on estate and closely held business planning, tax planning, and estate administration. He is the author of 42 books and more than 1,200 articles. He is a member of the NAEPC Board of Directors (Emeritus), on the Board of the American Brain Foundation, the American Cancer Society's National Professional Advisor Network and Weill Cornell Medicine Professional Advisory Council.

Here is their commentary:

EXECUTIVE SUMMARY:

Clients want a motivated, ambitious, type-A advisor who will work vigorously for their interests and identify with the challenges clients encounter. These are the people clients seek when it comes to hiring the professionals whose advice will literally determine their futures, and many of these professionals are the personality types who are typically attracted to high stress, high payout, high prestige jobs. They also tend to care an incredible amount about their clients and can over personalize not only what's happening in their clients' lives, but also how their decisions impact their clients' futures, even in circumstances beyond their control.

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COMMENT:

Case Studies:

The following case studies are difficult to read. But they must be read. They are not anomalies. They illustrate, albeit it in the extreme, the real world impact of the stress many professional advisers face.

A 29-year-old investment banker at Moelis & Co., jumped from the 24th floor of his Manhattan apartment building. His father, in media interviews, talked about the stress and pressure his son was under at work and how he may have been using drugs and alcohol to cope with that work related stress^[ii].

A 22-year-old technology, media and telecoms analyst at Goldman Sachs Group Inc. in San Francisco was found in a parking lot beneath his apartment building after jumping from an open window on the roof. His father, in an essay he wrote about his son, stated his son complained of the long work hours and said “I have not slept for two days, have a client meeting tomorrow morning, have to complete my presentation, my VP is annoyed and I am working alone in my office^[iii].”

Financial advisers are not the only professionals subject to these difficulties. At 58 years old, Ken Jameson seemed to have the life everyone dreams of. He was generating about \$600,000 of billable hours for his law firm every year, married his childhood sweetheart, and had three amazing children. However, his wife reported the stress of his job led him to seek the help of a psychiatrist and psychologist because the depression he was experiencing began to cripple him. In May 2011, after a six month battle with depression fueled by the stress of his legal career, Jameson committed suicide^[iiii].

58-year-old Harry Rankin, another lawyer, was also being treated for his severe depression in August 2012 when he hanged himself^[v].

The Worrisome Statistics

Lawyers and financial advisors are in the top 11 group of professionals with the highest suicide rates^[vi]. They also have unusually high rates of depression, anxiety, and substance use. High levels of stress, inadequate work-life balance, and high pressure to perform, all impact people’s ability to find their own sense of well-being, regulate sleep, emotions, and relationships. It is not uncommon for people to cope by using substances or other unhealthy means. For some, financial uncertainty about their own

future is thrown into the mix when there's an economic downturn, layoffs, or important promotions at stake. For those with their own professional practices, the fear that the value of their firm and life savings may not be high enough to fund their own retirement can exact a substantial toll. Under these circumstances, everyone has a breaking point.

Dr. Alden Cass, a clinical psychologist and sales coach who specializes in treating financial advisors and helping them improve their performance on the job, discussed how advisors are more prone to mild or serious depression compared to the general population. In fact, his 2001 study, "Casualties of Wall Street," exposed the reality that the million dollar producers were the most dysfunctional in regard to their mental health of any financial advisors, and they were also the most prone to burnout^[vi]. In his book, "Bullish Thinking: The Advisor's Guide to Surviving and Thriving on Wall Street," he found that "Brokers reported abusing alcohol and other substances such as cocaine, amphetamines, marijuana, Ritalin and Ecstasy. They also used sex as well as promiscuity to cope with their unrelenting stress." Other studies list financial advisors as one of the top 10 professions to experience depression in a given year^[vii]

Lawyers are no different. In a 2020 survey conducted by American Lawyer Media (ALM), out of 3,800 respondents surveyed for their Mental Health and Substance Abuse Survey, 31.2% of respondents indicated feeling depressed, 64% feel they have anxiety, 10.1% feel they have an alcohol problem, and 2.8% feel they have a drug problem^[viii]

In another study conducted by the American Bar Association (ABA) Commission on Lawyer Assistance Programs and the Hazelden Betty Ford Foundation, their numbers reflected even higher rates of problematic drinking: 21% initially considered themselves problem drinkers, but as questioning got more specific, the number jumped to over 36% of attorneys identifying that they struggle with alcohol abuse^[ix]. The numbers from different studies may vary because some lawyers may not be willing to disclose their problems for numerous reasons, and the lawyers who are willing to be forthcoming about their symptoms may not understand the criteria for what's considered "problem drinking" or "alcohol abuse," as people typically compare their own drinking to those around them to differentiate normal from problematic. It's not until somebody reflects criteria and standards outside of the narrow cultural group that someone may begin to understand that their alcohol use isn't normal.

With the growing legalization and availability of marijuana future studies may identify growing abuse of that substance by professionals endeavoring to cope with stress. Though we know that the numbers of self-reported substance use and mental health issues are underreported due to the fear of repercussions, shame, and denial.

Caring To Death

Although it's easy to think that these problems only affect the most driven traders, investment bankers, CPAs, and lawyers, professional advisers are impacted across the board. With ambitions to rise to the top and be seated at the corner office, new regulations, being responsible for people's financial futures, a genuine regard for their clients' wellbeing, and a genuine concern for their own financial futures, these elements are taking their toll on everyone from every day financial advisors to back office Wall Street employees ^[x], as well as everyone from defense attorneys to business attorneys.

While no data or studies could be identified as to specifically the impact of stress on estate planning attorneys, one might speculate the nature of estate planning may have a unique impact on the stress levels of professionals in this discipline. In contrast to other disciplines in the law, estate planning attorneys often operate in smaller groups of attorneys or solo on significant projects. The laws are incredibly complex and subject to constant change. Malpractice risks seem significant and have grown worse. The financial, family, business and personal responsibilities that estate planners routinely deal with for clients are of monumental importance to the client, their family and others. All of this may create a stress impact on estate planners that might be greater than those affecting attorneys generally.

After making a bad investment which negatively impacted his clients, a broker at Deutsche Bank left a suicide note to some of his clients before committing suicide:

Since you are reading this, I have just taken my life. It was necessary because the alternatives were totally unpalatable. I consider you a friend first and a client second. That said, I had a fiduciary relationship with you that charged me with putting your interest first. I

can say that I always tried to do that. However, some of the investment recommendations that I chose did not work.^[xii]

The pressure of responsibility for other people's lives that both financial advisors and lawyers carry can be unbearable, especially when a mistake is made or a negative outcome ensues. Over the course of time, they build strong relationships with their clients which can feel more like a familial relationship or friendship. They are entrusted with the financial futures of those they serve and they are confidants in times of worry and need. It can be incredibly difficult to not take on the stress of clients or second guess decisions in a time of market volatility, economic uncertainty, a landscape of shifting regulations, when a client encounters legal trouble, or when the phone starts ringing (or your email inbox explodes) with panicked clients on the other end. It can also be incredibly difficult when clients push to make a financial or legal decision the advisor knows is too risky or will certainly end in the client's financial, legal or other harm. Caring is notably an essential ingredient to be a successful adviser and to best serve your clients. However, when your concern, worries and angst for a client exceeds a healthy level, if you identify too personally and strongly with a client's problems, these are good indicators that your boundaries are exceeding a healthy boundary in the adviser/client relationship and may well expose yourself to excessive stress, or worse.

The Consequences of Professional Stress Are Worrisome

It's a terrifying thought that so many of our colleagues, those in charge of guiding some of the most critical decisions in clients' lives and our firms, are more stressed, exhausted, and unhappy at rates unequivocally and substantially higher than the general population. Ironically, the quality of life for legal and financial advisors worsens as they advance through their careers. For example, a survey of financial advisors found that 28% of advisors felt their stress was higher than 12 months prior, and 44% feel more stressed now than five years ago. 84% of survey respondents feel finding ways to reduce stress would positively impact their business and personal lives^[xiii]. Many financial advisors who run independent RIAs worry about the health and outlook of their businesses. Only 18% of those advisors surveyed by the Financial Planning Association were satisfied with their business's profitability and only 15% were satisfied with its growth trajectory. Their biggest personal emotional stressor? Trying to find a

balance between building their businesses and balancing their personal lives.

Lawyers are no different. Interestingly, the research shows that incoming law students rank as one of the healthiest groups in the nation, but as they go through law school and then enter into their careers, status devolves and they end up topping the charts as the group of professionals struggling with the highest rates of depression, anxiety, and addiction compared to both the general population and educated professionals. In fact, “An overwhelming majority of legal professionals believe their mental well-being is worse off as a result of their chosen career...” Although many people struggling with addiction also tend to struggle with anxiety and depression, the rates of these commonly co-occurring disorders in lawyers are exponentially greater compared to the general population. Additionally, they are likely underreported due to shame, fear of damaging their professional reputation, denial, rationalization, and social acceptance that stress and substance use are just a part of the culture. All of these factors can have incredibly detrimental effects on a person.

What Can Be Done

It's easy enough for someone to give the typical advice: get outdoors, improve your work-life balance, exercise more, engage in mindfulness practice,^[xiii] seek professional help, etc. The truth is that true change can't happen until we advocate for an overhaul of the systems and change the unrealistic expectations put on lawyers, CPAs, financial advisors and other professionals to be successful. Advisors are put in a position where they are forced to choose between their mental health, their families, and their personal lives and progressing in their careers. Exhaustion, working over 80-hour weeks, sacrificing family, alcohol infused networking with colleagues, clients and other advisors, constant stress and pressure to win shouldn't be the necessary sacrifice for a promotion, or even worse, financial survival. We need to stop rewarding the things that are killing people, have the courage to intervene when we see other advisors struggling, and reconstruct what it takes to be successful in advisory careers before it's too late. Yet many firms still base compensation solely on factors that pertain to production (asset under management, billable hours, revenue generated or originated), etc. If firms could expand compensation consideration to include other factors, set caps on how many

hours in a various time period people can work, or borrow other successful ideas from other high stress industries, that may all help.

To address these issues in a broad way, there needs to be meaningful change to the culture in professional firms. Airline pilots are subject to strict work limitations. Federal Aviation Regulations require specified rest periods. Maximum work hours are imposed 30 flight hours in any 7 consecutive days, etc. What if professional firms capped work hours at 80 per week and required a minimum of one day per week of no work time, no email, and to be out of the office. Firms might find that limitations, even if high by comparison to other professions and industry, may begin to change cultural norms and create some safe space for advisers. Healthier advisers may well make fewer mistakes, be more creative, and certainly healthier. That may actually enhance profitability over the long term.

Another interesting and viable solution might be to pay for wellness related memberships and for one vacation a year (with a capped maximum for spending). In a survey conducted in the United Kingdom of financial advisors, 71% of respondents state a lack of free time as the biggest obstacle they face in reducing stress and 25% cite a lack of money as the reason they can't pursue stress reducing activities^[xiv]. Ultimately, lower stress levels increase productivity, lower sick days, and produce a happier workforce. All of these are critical to employee retention and the quality of work. This also increases the bottom line of the company because mistakes and turnover can be incredibly costly. It's better to invest in the workforce you have than continue to turnover, retrain, burnout, and repeat.

In the meantime, law firms, bar associations, and governing bodies for financial advisors and other professions can provide employee assistance programs and access to confidential hot line numbers for advisors to seek help if they're struggling and don't feel their firm is a safe place to confide in someone. Law and financial firms should also invite in experts to navigate more vulnerable conversations and education around substance abuse and mental health problems. Partners and senior associates can also decrease the pressure to drink in social settings by leading by example and providing alternative options.

HOPE THIS HELPS YOU HELP OTHERS MAKE A *POSITIVE* DIFFERENCE!

Amanda Koplín

Martin M. Shenkman

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CITATIONS:

^[i] <https://www.marketwatch.com/story/why-more-white-collar-workers-are-at-risk-for-suicide-2015-07-01>

^[ii] <https://www.marketwatch.com/story/why-more-white-collar-workers-are-at-risk-for-suicide-2015-07-01>

^[iii] <https://www.cnn.com/2014/01/19/us/lawyer-suicides/>

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^[v] <http://stylemagazine.com/news/2021/may/14/9-good-jobs-have-highest-suicide-rates/>

^[vi] <https://www.wealthmanagement.com/news/sex-drugs-and-financial-advisors>

^[vii] <https://www.forbes.com/sites/halahtouryalai/2010/12/10/10-jobs-with-high-depression-rates/?sh=7885371716b2>

^[viii] <https://www.law.com/2020/02/19/lawyers-reveal-true-depth-of-the-mental-health-struggles/?sreturn=20211107160922>

^[ix] Krill PR, Johnson R, and Albert L. February 2016. *The Prevalence of Substance Use and Other Mental Health Concerns Among American Attorneys*.

^[x] <https://financialpost.com/business-insider/why-high-finance-workers-commit-suicide>

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^[xii] <https://www.cnbc.com/2019/05/22/financial-advisors-are-more-stressed-out-than-their-clients-study.html>

^[xiii] See <https://shenkmanlaw.com/webinars-details/?id=3058>

^[xiv] <https://www.theglobaltreasurer.com/2018/08/20/financial-professionals-struggle-to-find-time-to-combat-stress/>

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