

Mediation can help divorced couples make business decisions

by [Erica Breunlin](#) | September 07, 2015, 12:00 AM

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Divorce is a problem to be solved, not a battle to be won, according to Sue Hansen, a family lawyer, child advocate, mediator and collaborative practitioner at Milwaukee-based Hansen & Hildebrand S.C.

Too often, divorce is portrayed as a violent and messy tug-of-war that ruptures families through a destructive court process, Hansen said.

Barring extreme cases, the majority of divorces involve couples who do not know what to do or where to turn for help, or who try to outline their own divorce terms and make costly mistakes.

When divorce touches a family running a family-owned or closely-held business, the emotional conflict and turmoil can penetrate the business and obstruct its growth, in Hansen's experience.

Hansen said she has witnessed revenues decline at businesses due to the conflict and emotional impact of a related divorce. She has also seen business cases in which a divorce caused a severe family split, with children or extended family members taking sides. Other divorce and family business cases Hansen has observed have involved expensive and protracted legal conflicts, due to a significant gap in business valuation between parties. She has also seen cases in which clients made the premature decision to sell a business, rather than continue a valuation conflict.

Garrick Zielinski, president and founder of Milwaukee-based Divorce Financial Solutions LLC, said he has never seen a case in which a divorce severing a couple involved in a family business did not affect that business.

"The reality is, during the process of a divorce, regardless of how much conflict is involved or not, the productivity falls off substantially," Zielinski said.

It is not unusual for revenues to slide and expenses to balloon, according to Zielinski.

"The focus might be the divorce and not that business, so it suffers substantially," he said.

Hansen and Zielinski advise couples who are part of a family business and on the divorce track to navigate their split through neutral joint mediation or collaborative lawyers, rather than hire separate litigators.

"A traditional approach to a family business divorce tends to be polarizing in the debate about how to value and divide the value of a business," Hansen said.

By using mediation or collaborative lawyers, couples tap the skills of "joint experts" versus dueling ones, she said.

In the spirit of a more amicable separation process, Hansen co-founded the Family Mediation Center LLC, located at 126 N. Jefferson St. in Milwaukee, with additional offices in Brookfield and Mequon.

The center's model places distressed couples under the advisement of a single neutral lawyer mediator, as opposed to separate lawyer advocates. The mediator functions as a "neutral educator and guide," Hansen said, as he or she steers couples through legal negotiations and prepares them for what is needed to traverse the legal process.

"We're wanting people to have what feels to them like a safe and neutral place to come for education to learn about their options," Hansen said.

Rather than touting mediation as the end-all, be-all solution for couples in the midst of divorce, the Family Mediation Center

markets “informed decision making,” according to Hansen.

The mediation process starts with a joint education session, and from there couples can decide the best course of action for their situation.

Hansen has found that many clients today are seeking privacy, control and value.



“The current consumers want value,” Hansen said. “They want education. They want to be supported in their own decision-making process. Very few current potential separation and divorce clients want a traditional process where the lawyer’s in charge or a case is decided by a judge.”

The Family Mediation Center also refers couples to professional advisors in areas such as finance, tax and psychology. The panel of professionals allows clients to explore creative solutions that will set them up with livable and durable plans for the future, she said. Zielinski’s firm, Divorce Financial Solutions, is part of that panel.

As a neutral financial specialist, Zielinski aims to educate clients on the financial routes each party can take moving forward and explain their options based on their goals, needs and aspirations.

When looking at the future of family businesses impacted by divorce, Zielinski said that in addition to assessing their business’ value and revenue, couples must consider if they are going to retain the business or sell it, and how each will be compensated equitably.

The question of compensation is particularly critical for parties who may have not been as hands-on with the family business and stand at a disadvantage, without adequate knowledge of its operations and finances.

Zielinski looks to prioritize the goals of his clients with a focus on the future, especially for disadvantaged spouses.

“We kind of answer a lot of financial planning type questions and concerns in that process that they may have never addressed at all,” he said.



The center provides a neutral setting for couples navigating separation or divorce.

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