

Adding Value ‘Outside of the Therapy Room’

One psychologist’s focus on financial health yields a diversified practice.

Whether the economy is healthy or ailing, clients hear the same advice from their financial planners: Keep a diversified portfolio. One Hawaii psychologist has found that focusing on helping others improve their financial health has enabled him to build a diversified and thriving practice.

Brad Klontz, PsyD, has been in practice since 2000, shortly after he had invested all his money in stocks. “Unfortunately, it was just several months before the bubble burst in the technology sector,” he said, and the U.S. stock market plummeted.

Dr. Klontz became very interested in examining his own thinking around money, which led to an interest in the psychology of money and personal finance. “As I explored this area, I partnered with my father and a financial planner to develop a treatment approach for disordered money behaviors,” said Klontz. He and his partners created a five-and-a-half-day workshop to address the issue.

Now several years later, he’s sometimes involved with treating a disordered money behavior such as compulsive shopping or pathological gambling. But with a highly diversified practice, his professional activities involve much more.

A few of his varied roles include:

Consultant: Dr. Klontz trains financial planners to enhance their ability to help clients establish and maintain healthy financial behaviors – for example, active savings and spending

plans, along with reasonable debt. He saw an opportunity to team up with planners who expressed frustration that they couldn’t get their clients to follow through on established financial plans. Among his other consultant activities, he is helping a client develop a Web-based interactive media

experience that will teach adolescents and young adults the basics of financial health.

Researcher: Dr. Klontz has a clinical effectiveness study being published this year in the American Psychological Association (APA) journal *Psychological Services* that assessed participants in their workshop. Meanwhile, he is completing two other studies: one that involves developing a measure of financial health, and another that explores the relationship between specific money beliefs and

financial status and behaviors.

Author/Columnist: Two years ago, Klontz co-authored a self-help book* based on his disordered money behaviors treatment program. His latest book, due out this spring, is geared for financial professionals.** It includes a “decision tree” that offers general guidance for considering whether clients may need therapy rather than financial coaching or planning. The tool is designed to help financial coaches and planners understand and respect boundaries of professional competence. His prolific writing also includes a monthly column on issues related to mental health and the psychology of money published in the *Kauai Business Report*. Copies of his column have also run in newspapers including *Rocky Mountain News*, *Honolulu Advertiser* and *Honolulu Star Bulletin*.



In exploring various niches, Klontz has found it helpful to ask potential consulting clients what they find most difficult or frustrating in their work. Chances are, he said, it will relate to human behavior. "As master change agents, psychologists are uniquely positioned to provide exceptional value to individuals and systems outside of the therapy room," said Klontz.

He sees psychologists as highly skilled in applying their expertise to diverse professional roles. "It's up to us to figure out how to translate our skills to other areas," said Klontz. Doing it well, he adds, may require thought, planning and further skill development.

Dr. Klontz has actively trained himself to become more effective in his various pursuits. "When I decided to write a book, I spoke to several authors and read a dozen books on how to write books," explained Klontz. "When I learned I had to market my book, I read a dozen books on marketing and interviewed authors who were successful at marketing." He prepared himself for media interviews to promote his book in part by joining the public relations committee of the Hawaii Psychological Association, where he now serves as president, and attending media skills trainings.

Meanwhile, Klontz has found an anchor in the traditional practice roots he planted eight years ago. "It has helped me tremendously to remain linked to a more traditional practice," he said. For Klontz, the link to traditional practice is the approximately 50 percent of his professional time on contract with the Hawaii Department of Education that he spends providing school-based behavioral health services to students and their families.

Klontz says this activity has provided him with a consistent income and given him the opportunity to explore different markets while expanding his skill set. "I've been able to develop my products and service models without putting undue financial strain on me and my family," said Klontz.

One of the goals that Klontz helps his own clients work toward is low financial stress. There appears to be plenty of opportunity for him and other psychologists to lend a helping hand. According to the results of the APA's 2007 "Stress in America" survey, money is a major stressor and it's on the rise. Seventy-three (73) percent of those surveyed said money was a significant source of stress in their life, up from 59 percent in the 2006 survey.

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Dr. Klontz imagines that a worsening economy will heighten people's experience of financial stress. He thinks the situation is likely to lead a growing number of people to seek help in understanding how their financial behaviors have affected their financial health, and they will want help changing.

"The possibilities and opportunities are only limited by our ability to see them," he said. ☺

* *The Financial Wisdom of Ebenezer Scrooge: 5 Principles to Transform Your Relationship with Money* (Health Communications, Inc., 2006).

** *Facilitating Financial Health: Tools for Financial Planners, Coaches, and Therapists* (National Underwriter Company, 2008).

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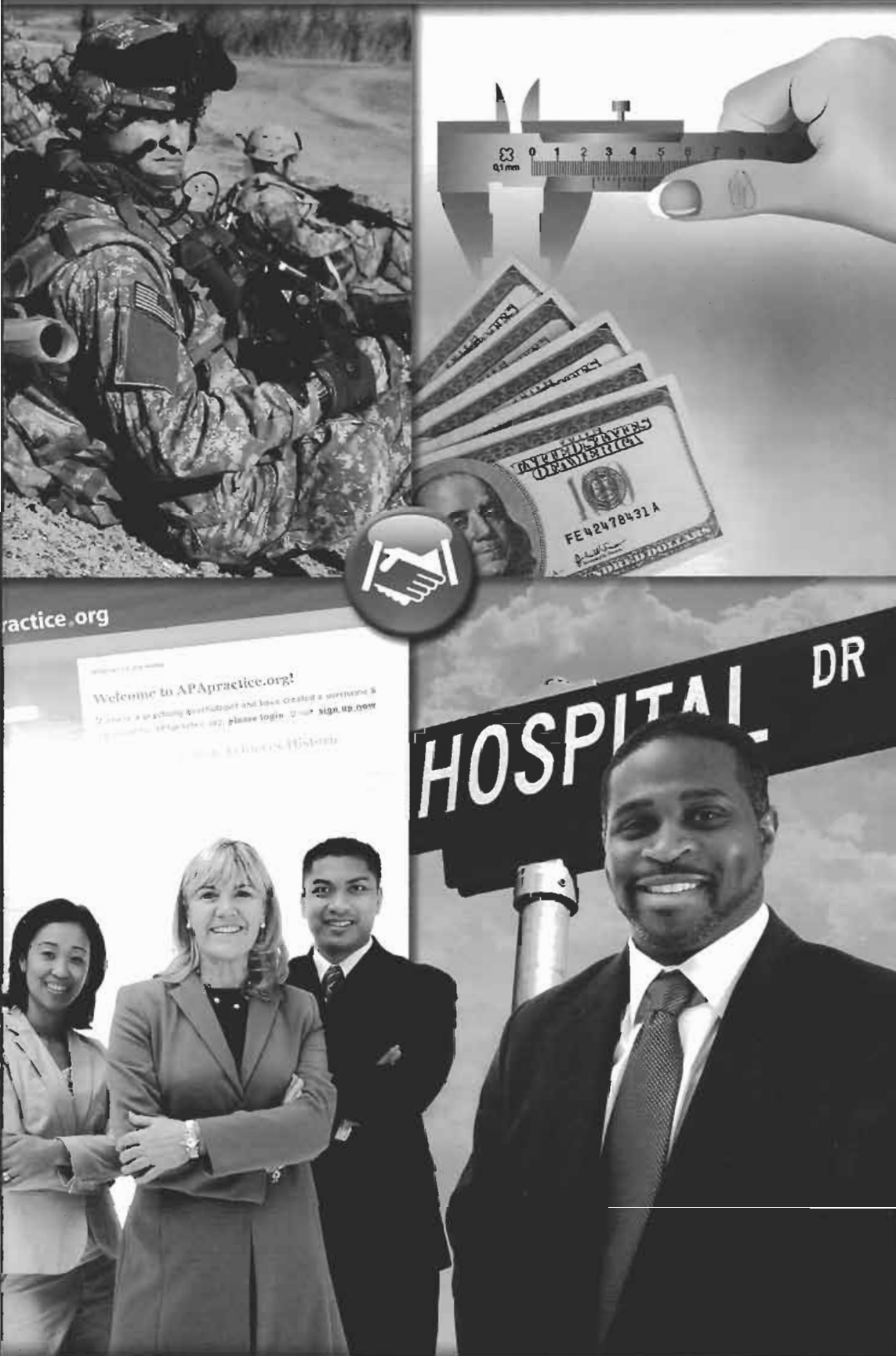
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