

March 4, 2009

Getting to the root of financial distress

Dr. Brad Klontz coaches clients on money woes

By Anne E. O'Malley
Kaua'i People

Psychologist Brad Klontz is a hot commodity — the latest book he co-authored, "Wired for Wealth" is due at Border's any day; BBC scheduled him for an interview last weekend; the television show "20/20" booked him for a segment next month; Random House called and asked him to write a book; and he's writing one now for Doubleday. Life is good, if a bit hectic, for this expert in coaching people to deal with their money disorders so they can move forward in their lives.

"Wired for Wealth," says Klontz, "is based on research I've done. I did a survey on 422 people, examining their net worth, their income, and their financial beliefs and behaviors, and I sort of sprinkle my data throughout the book.

"But basically, it's a book that helps people examine their early beliefs around money, where they came from, whether or not those beliefs are serving them well and then helps people change them."

Klontz teams with his father, Ted, a psychotherapist who lives in Tennessee, to offer Klontz Coaching & Consulting. They're doing a dizzying number of professional presentations — more than 70 a year — in addition to the coaching, consulting and books, and in Brad's case, also working with troubled teens and families.

About seven years ago, the dynamic duo developed a treatment program that draws people with money disorders, including celebrities. Everybody's got some kind of money script based on our upbringing.

One Klontz client has millions in the bank but won't get his teeth fixed because he doesn't feel as if he has enough to do that. At the other end of the spectrum, there is the vast majority of Americans who have no money because they rack up credit and don't save.

"Our average credit card debt for households is over \$9,000, and the average household carries over \$117,000 in debt," says Klontz.

That's a lot of financial pain, and what it offers, against a backdrop of recession, is opportunity, according to Klontz. It's a chance to examine beliefs you hold about money.

Says Klontz, "Examine your behaviors. Examine the beliefs around them, because if you put all your focus on blaming the economy and blaming the jerks in Washington and blaming the crooks on Wall Street, you are going to be vulnerable to making the same mistakes when the economy bounces back — and it's going to."

Klontz speaks from personal experience, having invested in stocks a couple of months before the tech bubble burst a few years back. He lost half his money in that fiasco.

It would have been a perfect time for him to pick a belief that's been in his family forever — don't trust financial institutions. Witness his grandfather, who kept all his money in a locked box in the attic.

Says Klontz, "Fortunately, I was a psychologist and I had already run into how my thinking can be limiting in other areas of my life, so I started to examine why would an intelligent, sane person take

everything they own and throw it all in the stock market when they know nothing about stocks? And I realized it was because I had a pervasive fear of being poor and I didn't want that.

"So, based on that fear of wanting to not be in that situation, I basically created that situation by losing half my money. But in my mind at the time, I thought, well, rich people own stocks and invest in the stock market, so I want to be rich, so I should do that."

Klontz, immediate past president of the Hawai'i Psychological Association, says that in his research, he's discovered there's a large percentage of people who have anti-rich beliefs such as, "Rich people are greedy, they take advantage of others. But really, what I've noticed is that no matter how much money we have, we all struggle with the same things."

The Dr. Brad Klontz version of struggle includes the pain of losing his older brother to suicide when Dr. Brad was 11 years old — it's one of the reasons he chose a career as a psychologist — and the precarious hold his father has on life, living with chronic illnesses.

Speaking of his father, he says, "There've been times you thought he wouldn't be here a month from now, and there's something that's really powerful about just being aware that we're mortal."

He says his family situation "made me very aware that life is temporary and so I think above everything, I try to value every moment I have with the people I love, because I know it's not going to be forever."

For the past eight years, Klontz has been an independent contractor for the state, providing mental health services for children and families through the award-winning Mokihana Project, a collaboration between the Departments of Health and Education. And he has a private coaching and consulting practice — life coaching, relationship coaching — much of it related to people and their relationship with money, and families and couples in conflict around money.

He's the assistant tennis coach for Kapa'a High School, where his Mokihana Project office is based, and plays competitive tennis, having represented Hawai'i at the United States Tennis Association national championships for the past five years.

As for his future plans, Klontz wants to write a column for a national magazine and says, "I want to keep writing books. I'm very excited about that — I love it.

"I also want to continue to work with people, helping them reach their goals. Those are the things that really give me joy.

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