Journal of Financial Therapy
The Official Publication of the Financial Therapy Association

Volume 6, Issue 1

Editorial Offices
Institute of Personal Financial Planning
School of Family Studies and Human Services
Kansas State University
Manhattan, Kansas

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This issue's editorial is written by the Journal of Financial Therapy's Associate Editor, Dr. Martie Gillen. Dr. Gillen introduces herself to you and shares with you how financial therapy is central to work as a researcher, practitioner, and teacher.

Editorial

Martie Gillen, Ph.D.

Welcome to Volume 6, Issue 1 of the *Journal of Financial Therapy*! I serve as the Profile and Book Review Associate Editor. I am an Assistant Professor and Extension Specialist for the Department of Family, Youth, and Community Sciences, in the Institute for Food and Agricultural at the University of Florida (UF). I joined the Department in June, 2011. Prior to arriving at UF, I served as Assistant Dean for Finance in the College of Social Work at the University of Kentucky (UK). I continue to teach part-time at UK.

Financial therapy is the foundation of my practice, research, and teaching as individuals must understand why they are doing something before they can change their behaviors. At UF, I teach undergraduate courses in the areas of research methods, introduction to personal finances, and financial counseling, and graduate courses in the areas of personal and family finance, including income tax, retirement and estate planning, insurance, introduction to financial planning, and capstone. Additionally, I teach financial social work at UK. My research interests include personal and family finance, behavioral economics, older adults, Social Security retirement benefits, employment, retirement planning, financial social work, financial therapy, food security, and innovative post-secondary education models.

Book reviews, researcher profiles, and practitioner profiles serve an important role in expanding the field of financial therapy. Book reviews can connect you to resources that you might use in your practice, research, or in the classroom. Researcher and practitioner profiles let you know what others are doing in the financial therapy field. Profiles may result in new insights and collaborations.

Please feel free to contact me if you are interested in being featured in the researcher or practitioner profile. I would love to let others know what you are working on in the field of financial therapy. I am also continually searching for book reviewers. If you are a practitioner, please consider writing a review of a book you recently read, or use this as opportunity to catch up on your reading and write a review. If you are an instructor, consider

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assigning a book review in your course; encourage and work with your students to make it publication-worthy and submit it to the *Journal*.

Our first issue of 2015 has a wealth of information that contributes to the growing body of literature in the area of financial therapy including two profiles, a book review, and four scholarly papers. Andrea Vining is featured in the practitioner profile. Andrea is a Financial Advisor at Morgan Stanley in Pasadena, California and was named to the firm's Pacesetter's Club in 2015. Dr. Axton Betz-Hamilton, a faculty member at Eastern Illinois University, is featured in the researcher profile. Her research focuses on identity theft and financial abuse within families. Both offer interesting insights on the financial therapy field. Jorge Ruiz-Menjivar, a doctoral student at the University of Georgia, reviewed the *CFP Board Financial Planning Competency Handbook* which was authored by 22 academic and professional contributors and edited by Charles R. Chaffin. He offers insights for how the book can be used as a resource for financial therapy professionals.

The four scholarly papers address very important issues, such as the financial health of mental health professionals, interventions for financial therapy, and the Earned Income Tax Credit. Sonya L. Britt, Brad Klontz, Racquel Tibbetts, and Linda Leitz collected data from 264 individuals to explore their financial health as related to occupation. Kristy L. Archuleta, Emily A. Burr, Mary Bell Carlson, Jurdene Ingram, Laura Irwin Kruger, John E. Grable, and Megan R. Ford conducted a pilot study to test the implementation of a solution-focused financial therapy client intervention approach. Rebekah J. Nelson, Thomas E. Smith, Victoria M. Shelton, and Kristin V. Richards explain the theoretical basis for the following three interventions: financial genogram, financial landscape, and financial mirror, including how to use the interventions in financial therapy. Lloyd Zimmerman, Anthony Canale, Sonya L. Britt, and Martin Seay conducted a study utilizing the Theory of Planned Behavior to determine if attitudes, subjective norms, and/or perceived behavior control were significant in moving respondents beyond qualification standards of the Earned Income Tax Credit.

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Sonya L. Britt, Ph.D., is a Certified Financial Planner™ and an Associate Professor and Program Director of Personal Financial Planning at Kansas State University. Britt studies the impact of physiological stress in the financial planning and counseling setting. Britt has published two edited books. The first with Dr. Dottie Durband on *Student Financial Literacy: Campus-Based Program Development* and the second with Drs. Brad Klontz and Kristy Archuleta on *Financial Therapy: Theory, Research, and Practice*. Britt's educational background is in marriage and family therapy and personal financial planning from Kansas State University and Texas Tech University, respectively.

Emily A. Burr, M.S., graduated from the University of Nebraska-Lincoln (UNL) in 2010 with a Bachelor of Science degree. While at UNL, Emily was a key contributor in the development of the university's Student Money Management Center. Emily graduated with a M.S. in Marriage and Family Therapy from Kansas State University in 2013. While at K-State, Emily pursued her interest in Financial Therapy as an intern and a research assistant. Emily is currently a Licensed Mental Health Professional at the Child Guidance Center in Lincoln, NE.

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John E. Grable, Ph.D., is a Certified Financial Planner™ and holds an Athletic Association Endowed Professorship at the University of Georgia. Dr. Grable served as the founding editor

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Jurdene Ingram, M.S., has been a Licensed Marriage and Family Therapist since 2012. She earned a B.S. in Psychology from Kent State University in Ohio, and graduated from Kansas State University in 2012 with a M.S. in Marriage & Family Therapy. Jurdene has worked with adolescents in the juvenile justice system, children and families in foster care, and most recently has joined Pawnee Mental Health Services in Manhattan, KS as an outpatient therapist. She is a Pre-Clinical Fellow member of the American Association for Marriage and Family Therapy and serves on the state affiliate's board as the Communications Chair.

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Laura Irwin Kruger, M.S., is a Licensed Marriage and Family Therapist in Kansas. She currently works at a non-profit community mental health agency providing individual, family, and group therapy services to children and their families. Laura has prior clinical experience working with children in the foster care system. She received Bachelor degrees in Psychology and Family Studies and Human Services, and a Master's degree in Marriage and Family Therapy from Kansas State University.

Linda Leitz, M.B.A. is a co-owner and financial planner in It's Not Just Money, Inc., a small fee-only firm in Colorado Springs, CO. Besides working with middle market clients, Linda has done volunteer work in the profession, teaching and helping new advisors establishing a practice, and having served as the Chair of the National Association of Personal Financial Advisors. Linda is also a Ph.D. candidate in the Personal Financial Planning Program at Kansas State University. Before becoming a financial planner, she was an investment advisor, banker, and bank examiner.

Jorge Ruiz-Menjivar, M.S., is a doctoral student in the department of Financial Planning, Housing and Consumer Economics at the University of Georgia. His current research focuses primarily on financial risk tolerance (FRT) and its cross-cultural applications, as well as the measurement of FRT using modern psychometric techniques.

Rebekah J. Nelson, MSW, is a doctoral candidate in Social Work who has presented in state and national conferences on financial therapy. She has studied abroad and more recently been concerned with the financial challenges of clients with developmental disabilities.

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Kristin V. Richards, Ph.D., is an Assistant Professor in the Department of Social Work at the Mississippi Valley State University. She was a Fellow in the National Endowment for Financial Education, and is completing a Certificate in Financial Planning from the Florida State University.

Martin Seay, Ph.D., is a Certified Financial Planner™ and an Assistant Professor at the School of Family Studies and Human Services at Kansas State University in Manhattan, Kansas. His career objective is to provide impactful consumer finance research while educating ethical, thoughtful, and well-rounded financial planners. His research focuses on consumer borrowing decisions and how psychological characteristics inform financial behavior. Dr. Seay's educational background is in Housing and Consumer Economics from the University of Georgia.

Victoria M. Shelton, is a graduate student in social work. She has presented at state and national conferences on financial therapy and has conducted financial literacy programs in community agencies and church settings.

Thomas E. Smith, Ph.D., is a Professor in the College of Social Work at Florida State University. He was formerly a Director of a COAMFTE Training Institute in Milwaukee, WI. More recently, he founded the Financial Therapy Center in Tallahassee, FL.

Raquel Tibbetts, M.B.A., is a Vice President and Senior Financial Planner with Key Private Bank in New England. Racquel has been providing Key clients with comprehensive and customized financial solutions since 1999. Prior to joining Key, Racquel was an Accountant for Berry, Dunn, McNeil & Parker, a CPA firm headquartered in Maine. She earned both her Bachelor's Degree in Business Administration and MBA from the University of Maine in Orono. She also earned her CPA certificate from the State of Maine in 2003, and CFP® certificate in 2008. Racquel is a Ph.D. student at Kansas State University in the Personal Financial Planning Program.

Lloyd Zimmerman, M.S., is currently a Ph.D. candidate at Kansas State University in Manhattan, Kansas. He has been a Certified Financial Planner™ since 1992 and completed a Master of Science degree in Personal Financial Planning from the College for Financial Planning in Centennial, Colorado in 2005. Mr. Zimmerman retired after more than 30 years as a business owner and bank director. His research interests include financial aspects of women in agriculture and rural families.

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Financial Therapy Network

The following individuals have identified themselves as providing services that promote a vision of financial therapy. The Financial Therapy Association cannot guarantee the services of those listed in the FTA Network. For more information and to view these professionals' profiles, visit https://fta.memberclicks.net/find-a-ft

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ISSN: 1945-7774

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Solution-focused Financial Therapy: A Brief Report of a Pilot Study

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The financial counseling, financial planning, and financial therapy fields are hampered by a conceptual and empirical paucity of clinical and experimental evidence-based research. In an attempt to decrease this gap in the literature, a pilot study was developed to test the implementation of a solution-focused financial therapy client intervention approach, in which solution-focused therapy techniques were applied in a financial counseling setting. This paper reports findings from a clinical intervention study of college students (N = 8) who presented a variety of financial issues related to budgeting, investing, and debt repayment problems. Data were gathered prior to the start of treatment, after treatment ended, and three months later. Participants' psychological well-being and financial behaviors improved, while financial distress decreased. The solution-focused financial therapy approach used is discussed.

Keywords: financial therapy; solution-focused therapy; solution-focused financial therapy; financial counseling; financial planning

Training the next generation of practitioners is a growing concern among financial therapists, counselors, and planners, as well as the researchers in these communities

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(Archuleta & Grable, 2010; Britt, Klontz, & Archuleta, 2015; Britt, Archuleta, & Klontz, 2015; McGill, Grable, & Britt, 2010). A key issue of concern is related to the intervention techniques new therapists, counselors, and planners are incorporating into their practices. Not unlike other emerging fields of study and practice, many of the behavioral change techniques taught to novice financial therapists, counselors, and planners are based on experiential opinion rather than clinically documented effectiveness. It is difficult to discern what the most effective modalities are, how practitioners coherently conceptualize client cases, or why practitioners choose certain types of interventions over others based on the current literature.

Approaches rooted in theory can provide some insight to these uncertainties. Theory provides a way to look at a problem by applying a framework to explain phenomena. Theoretically informed modalities in financial therapy, counseling, and planning can help a practitioner frame how to think about an issue, predict what will happen next, and provide interventions for how to treat an issue (Britt et al., 2015a). Connecting theory, research, and practice is important in any professional field of practice, but it is especially important for financial therapists, counselors, and planners. Moving beyond opinion towards evidence-based practice is an important step in the establishment of creditability among clientele, colleagues, and policy makers. It is especially important when educating a new generation of practitioners.

Multiple modalities—documented best practices for performing tasks—exist in the mental health and personal finance fields that can be directly applied to financial therapy (Archuleta & Grable, 2010). In addition, there are modalities that are unique to financial therapy. Interestingly, very few models of client interaction and intervention exist that have been tested in either a clinical or experimental sense (Britt et al. 2015a). There is limited evidence of the effectiveness of the most widely used approaches. Some research exists on experiential and cognitive behavioral therapies (e.g., Benson, Eisenach, Abrams, van Stolk-Cooke, 2014; Ford, Baptist, & Archuleta, 2011; Klontz, Bivens, Klontz, Wada, Kahler, 2008) as applied to financial issues. Additionally, the Collaborative Relational Model (Kim, Gale, Goetz, & Bermúdez, 2011) has been tested in a limited fashion and been shown to be unique to the emerging field of financial therapy. Similarly, Archuleta, Grable, and Burr (2015) described solution-focused therapeutic techniques that may provide a mechanism for financial behavioral change.

Solution-focused therapy is a theoretically informed approach traditionally used by mental health practitioners to help clients utilize their strengths to focus on future-oriented goals and tasks (de Shazer, Dolan, Korman, McCollum, Trepper, Berg, 2007). In the financial counseling profession, practitioners have typically focused on their client's financial problems and the negative behaviors that lead to these problems (Archuleta & Grable, 2010). In general, financial counselors have placed attention on a client's history and how the client developed financial problems and negative behavior. Rarely are financial counselors trained to promote a client's positive characteristics in order to build self-identified solutions to financial issues. Solution-focused therapy is considered to be a brief therapeutic approach that provides a lens, in which practitioners believe clients can change and are willing to make changes using their personal strengths. In the mental health field, solution-focused therapy

ISSN: 1945-7774

outcome studies have consistently shown evidence that the technique produces positive behavior changes in a shorter period of time by creating a higher autonomy in clients as compared to other therapeutic approaches (Bannink, 2007; Corcoran & Pillai, 2009). In a review of effectiveness research including solution-focused therapy, Corcoran and Pillai (2009) showed that solution-focused therapy demonstrated a 50% effectiveness rate compared to receiving no treatment or alternative conditions. These types of studies indicate that solution-focused therapy can be a successful way to work with clients.

Lethem (2002) noted that solution-focused therapy could be easily adapted to meet the needs of clients with different presenting issues and situations. Solution-focused therapy has been applied to variety of contexts and problems, including business, social policy, education, health care, criminal justice services, child welfare, domestic violence, medicine, substance abuse. To date, few attempts have been made to bring solution-focused therapy to the realm of personal finance topics and issues. The purpose of this paper is to report findings from a clinical test of solution-focused therapy principles and techniques applied to money related issues. The paper provides a brief report of the findings of a pilot study that initially sought to address the following question: Can solution-focused therapy techniques be used to work effectively with financial therapy clients?

METHOD

Manual Development and Implementation

Prior to conducting the current pilot study, a treatment manual that integrated solution-focused therapy principles and techniques within the context of financial therapy and financial counseling skills and strategies that was developed by a team of researchers was evaluated. The manual was developed by Archuleta et al. (2015) to provide consistency of implementation among financial therapists when incorporating solution-focused techniques into practice. The manual was based on the *Solution-focused Therapy Treatment Manual for Working with Individuals* (Trepper, McCollum, De Jong, Korman, Gingerich, & Franklin, 2010). As part of the development of the manual, mock financial sessions were conducted to enhance the coherency and applicability of the manual. The manual, designed to be implemented over the course of three to five sessions depending on the client's situation, allows for flexibility of length of time each client needs between sessions. Initial work using the manual showed that some clients prefer meeting every two weeks, while others need longer spans of time between sessions. Regardless of the time needed, to keep with solution-focused principles, the focus of each session was on the client's needs rather than completing sessions in a certain timeframe.

Archuleta et al. (2015) noted that in order to use the manual appropriately, financial therapists should have a foundational knowledge in both personal finance topics (e.g., introductory course in personal finance or more advanced personal finance related courses) and counseling skills (e.g., financial counseling course, conflict resolution courses, or more advanced training in marriage and family therapy), as well as training in the solution-focused approach. Based on this recommendation, graduate students who met these criteria were recruited to participate as financial therapists in this study. These financial therapists then

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participated in practice sessions that utilized specific steps outlined in the manual. They were supervised by financial therapists who had previously been trained using the manual. For this study, three financial therapists who received cross-discipline training implemented the manual with the clients. The three financial therapists were female graduate students. One student was a doctoral student in personal financial planning and held the CFP® and AFC® designations, as well as a core conflict resolution certificate. Two of the financial therapists were master's level students in studying marriage and family therapy. For the purpose of this study, each financial therapist was tested and found to have achieved at least an 85% adherence and competency rating on an adapted version of McCollum's (unpublished) *Competency and Adherence Ratings for Solution-focused Therapy* assessment.

The manual provided an outline of solution-focused oriented questions and interventions, as well as a standardized set of mandatory financial homework assignments and other optional homework assignment ideas. During each session, one of the other financial therapists or a supervising faculty member (i.e., the supervising faculty member was trained in both marriage and family therapy and personal finance) observed each therapist's session. Ideally, and when at all possible, someone trained primarily in the opposite field of the therapist observed the session (e.g., if the financial therapist was one of the marriage and family therapists, the observer was a financial counselor or planner). Towards the end of each session, the financial therapist took a break from the session. During the break, the financial therapist met with the observer who shared positive observations of the client and compliments to share with the client. The therapist and observer brainstormed about additional homework ideas to share with the client (beyond the already required homework). Another observer objective was to complete a *Competency and Adherence Ratings for Solution-focused Therapy* form that evaluated the financial therapist's adherence to solution-focused principles and techniques during the session. This evaluation helped to ensure that each financial therapist was implementing the modality similarly by 80% competency and adherence to the solution-focused financial therapy approach. Following the consultation between financial therapist and observer, the financial therapist returned to the session to share with the client positive observations and compliments.

During session one, the following solution-focused techniques were implemented into the session: (a) joining, (b) historical accounts of solutions, (c) pre-session change, (d) the miracle question, (e) scaling, (f) goal setting, and (g) compliments. Homework assigned at the end of the first session consisted of reviewing the client's credit history and tracking expenses. Clients were asked to track expenses over the course of four weeks.

Sessions two through four were similar in format, where the financial therapist asked questions to elicit each client's perceived and actual strengths as a way to increase accountability and help the client begin taking responsibility for making changes in his/her life, even if minor changes were made. Examples of questions asked during these sessions included:

1. What is different about this week than last week?
2. What did you do differently?

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3. How did you manage to do this?
4. What would be the signs that you were doing more of the things that are good for you?

Scaling questions (e.g., "On a scale of zero to 10, where zero means …") were also used to assess commitment to change, confidence to change, and motivation to change. For example, the financial therapist would ask, "On a scale from zero to 10, with zero representing that you know that you would not be willing to do anything differently to resolve this situation and 10 being that you know that you would do whatever it takes to sort this out, where do you see yourself right now?" A scaling question, such as this, was followed up with questions like:

1. What number on the scale from 0 to 10 will let you know that you are willing to be committed to the change process?
2. How will you know that you are willing to be committed to the change process?
3. What about yourself or what will you be doing that indicates that you are committed to the change process?

The financial therapist then followed up with the client's homework assignment from the previous session. Mandatory homework assignments for session two consisted of creating a net worth statement; for session three, the homework was to identify income sources and evaluate all debts; finally, homework for session four involved developing a budget. While these assignments resemble work that might also be required of someone going through traditional financial counseling, the key difference was the manner in which solutions to homework assignments were developed by the client and financial therapist.

The final session (most typically session five) included: (a) reviewing the client's homework assigned in session four, (b) evaluating the goal(s) the client set at the beginning of the process by asking scaling questions in addition to complimenting the client for his/her achievements, and (c) focusing on the progress the client made and what they learned about themselves throughout the process. In addition, the financial therapists asked questions to help develop a maintenance plan. They also identified potential setbacks in the future and brainstormed ways to deal with these setbacks.

Participant Profiles

Participants in this pilot clinical study came from university students who were seeking financial advice and counseling through a Midwestern university's financial counseling clinic. Criteria to participate in the study included the following: (a) over the age of 18, (b) a university student (i.e., undergraduate or graduate), (c) non-clinical levels of distress, (d) no red flag issues present, such as suicidal ideation, alcohol abuse, or clinical depression, and (e) allowing sessions to be recorded (video and audio). All clients participated in an initial assessment session prior to beginning the solution-focused financial counseling process to screen for potential clinical mental health problems. This step was taken to avoid working with someone whose primary issues were best served by a mental

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health practitioner and to ensure that all clients were similar in terms of mental health functioning. Participation in the research study was voluntary and those who completed the series of sessions, plus a pre-test taken at the initial assessment session, post-test taken at the final session, and a three-month follow-up survey were compensated $75 in cash. A total of nine participants began the study. One participant dropped out after attending three sessions. The university's Institutional Review Board approved the study and all applicable testing and evaluation procedures were followed.

Measures

Each measure selected for this study was a standardized self-report instrument developed for use in clinical and/or research settings. Demographic information, which included gender, race/ethnicity, age, marital status, and employment status, and financial information were collected. Financial information included student loan debt, car loan debt, credit card debt, monthly housing costs (i.e., rent/mortgage), and annual pre-tax income. This information was assessed at the initial screening or pre-test. Measures to assess clinical distress, depressive symptoms, financial well-being, financial behaviors, and financial knowledge were included at the pre-test, post-test, and three-month post-post test.

OQ.45.2 Outcome Questionnaire (OQ.45.2). The OQ.45.2 is a self-report instrument containing 45-items. The questionnaire was designed to measure clinical distress and change in distress over time (Lambert et al., 1996). The OQ.45.2 measures three psychological domains, including symptomatic distress, interpersonal relations, and social role. Each item is scored on a 5-point Likert-type scale, ranging from zero to four. Total scores can range from zero to 180. Scores above 63 indicate that the individual is so distressed that mental health services are needed. One reason the OQ.45.2 was used in this study was to screen out anyone who presented at a clinically distressed level, meaning a referral to the university's psychotherapy clinic would have been warranted. The second reason the OQ.45.2 was to assess each client's overall progress in managing overall distress. Both test-retest (α = .84) and internal consistency (α = .93) reliability has been shown to be good to excellent; in addition, the instrument's concurrent validity has also found to be excellent (Lambert et al., 1996).

Patient Health Questionnaire (PHQ-9). The PHQ-9 is a brief measure that contains 10-items. The questionnaire is used to screen, diagnose, monitor, and measure the severity of depression (Kroenke, Spitzer, & Williams, 2001). Item responses for the first nine items ranged from 0 (*not at all*) to 3 (*nearly every day*). To score the PHQ-9, the first nine items are summed. Summed scores can range from 0-27 with scores of 1-4 indicating minimal depression, 5-9 demonstrating mild, non-clinical depression, 10-14 representing moderate depression, 15-19 signifying moderately severe depression, and 20-27 suggesting severe depression. It is important to note that clients can have depression symptoms and not be clinically depressed. In this study, clients who were moderately to severely depressed or who scored 10-27 on the first nine items were not included in the study. Item 10 is evaluated separately to gauge severity of symptoms. Internal reliability and test-retest reliability have been shown to be excellent (Kroenke et al., 2001). In this study, the PHQ-9 was used as a

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supplemental tool to screen for clinical depression, as well as to monitor progression of depression symptoms.

InCharge™ Financial Distress/Financial Well-Being (IFDFW) Scale. The IFDFW Scale is an eight-item instrument that measures the present state of a person's financial well-being (Prawitz, Garman, Sorhaindo, O'Neill, Kim, & Drentea, 2006). Response items range from 1 (*lowest level*) to 10 (*highest level*). To score the IFDFW, item responses are totaled and then divided by eight. Scores range from 1 to 10, with higher scores indicating increased levels of financial well-being. Reliability has been shown to be excellent (α = .96) for the IFDFW.

Financial Stressors. Financial stressors were measured by asking participants to identify financial events that occurred to them over the past year. This summated variable was used to predict the respondents who had experienced an extreme amount of financial stress. The list of 24 financial stressors was adapted from Joo (1998) and Joo and Grable (2004). Examples of stressors included: (a) becoming seriously ill, (b) having a major house repair, and (c) paying serious medical bills.

Financial Behaviors. Financial behaviors were measured using a five-item scale that asked participants to grade themselves in the following areas: (a) spending control, (b) paying bills on time, (c) planning for financial future, (d) providing for self and family, and (e) saving money (Perry & Morris, 2005). Scores ranged on a scale from 1 (*poor)* to 5 (*excellent)*. Total scores could range from 5 to 25, with higher scores indicating more positive perception of financial behaviors. Perry and Morris (2005) reported high reliability (α = .83) for the financial behaviors scale.

Financial Knowledge. Subjective financial knowledge was measured using a five-item scale in which clients were asked how much they knew about the following: (a) interest rates, finances charges and credit terms, (b) credit ratings and credit files, (c) managing finances, (d) investing money, and (e) what is on their credit report. Items were scored on a five-point Likert-type scale, ranging from 1 (*nothing)* to 5 (*a lot)*. Total scores could range from 5 to 25 with higher scores suggesting an increased level of self-perceived financial knowledge. This scale has historically shown good reliability with Cronbach's alpha of .87 (Perry & Morris, 2005).

Data Analysis

Descriptive statistics describing the participants prior to and after the intervention were calculated. A Wilcoxon signed ranks test was used to test for both the magnitude and direction of changes in clinical distress, depression, financial well-being, financial behavior, and financial knowledge between the pre-test and two subsequent post-tests. These tests were used to evaluate the hypothesis that median scores of participants on these measures would change from pre-test to post-test (Pett, 1997). Specifically, it was hypothesized that clinical distress and depression might fall, whereas well-being, behavior, and knowledge might increase.

RESULTS

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The final sample included eight participants in which three were male and five were female. Seven of the eight (87.50%) of participants were undergraduate students and not married. On average, one-third of participants lived at home with their parents. One client was married. This client's spouse attended all of the sessions. However, the spouse's data was not included in the study because the partner did not meet the participant criteria. Participants initially reported seeking financial advice and counseling for a variety of reasons, including: (a) debt repayment, (b) budgeting, (c) increasing financial knowledge, and (d) developing and implementing financial goals. Debt repayment and budgeting were the most reported reasons for seeking financial counseling help.

Participants were predominately White (87.50%) and ranged in age from 18 to 34 years (*Mdn* = 23.50, *SD* = 5.81). In regards to employment status, one participant reported being self-employed, three reported being employed part-time, one was employed full-time, and three were not employed. Fifty percent of the sample reported pre-tax household income under $15,000, 25% reported having an income between $15,000 and $24,999, and the remaining 25% reported having income above $25,000 (see Table 1). Participants were asked how much they paid in housing per month, including rent and renter's insurance or, if they owned a home, mortgage and insurance. The median monthly housing costs were $341.50. Student loan debt, car loan debt, and credit card debt were measured. The median student loan debt was $10,000; the median car loan debt was $0.00 (*M* = $4,250; *SD* = $6,633), and the median debt carried on credit cards per participant was $750.00. The median number of financial stressors experienced by participants during the past year was 3.50.

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Table 1
Participant demographic characteristics

Sample characteristic	%	Range	*Mdn*	*M*	*SD*
Age		18-34	23.50	24.00	5.81
Relationship status					
Single	87.50				
Married	12.50				
Gender					
Female	62.50				
Male	37.50				
Primary ancestry					
White	87.50				
Other	12.50				
Employment Status					
Full-time Employment	12.50				
Part-time Employment	37.50				
Self-Employed	12.50				
Not Employed	37.50				
Gross Annual Household Income					
Under $15,000	50.00				
$15,000 - $25,999	25.00				
$25,000 – $34,999	12.50				
$35,000 – $44,999	0.00				
$45,000 - $54,999	0.00				
$55,000 - $64,999	0.00				
$65,000 - $74,999	12.50				
Over $75,000	0.00				
Auto Loan		0.00-18000	0.00	4250.00	6633.25
Student loans		0-50000	10000	20250.00	18061.40
Credit Card Debt		0-20000	750.00	3500.00	6871.27
Monthly Housing Costs		0-600	341.50	309.13	178.85
Financial Stressors		0-4	3.50	2.88	1.45

Scores on the assessment instruments nominally improved in all areas between initial assessment (i.e., pre-test) and the initial post-test, and the three-month follow-up (post-post test). The median score for the OQ.45.2 and PHQ-9 decreased between the pre-test (*Mdn* = 44.50), post-test (*Mdn* = 27.50), and three-month follow-up (*Mdn* = 35.00). Results from the Wilcoxon signed ranks tests were mixed. Scores were not significantly different on the PHQ-9 scale; however, scores were significantly different on the OQ45.2

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scale. These results suggest that depressive symptoms and overall mental health functioning improved nominally upon completion of the solution-focused financial therapy treatment, but showed signs of regression at the three month follow-up, although scores did not revert to their initial state. The change was meaningful in terms of mental health functioning scale. It is important to note that the treatment was not designed to be used as an anxiety or depression intervention. Results simply confirm that the treatment method did not adversely impact participants. Descriptive statistics, including score ranges, medians, means, and standard deviations, are reported for the pre-test, post-test, and post-post tests in Table 2.

Scores for financial well-being, financial behaviors, and financial knowledge nominally increased between the pre-test (*Mdn* = 5.38; *Mdn* = 12.00; *Mdn* = 14.00, respectively), post-test (*Mdn* = 6.94; *Mdn* = 19.50; *Mdn* = 16.50, respectively), and three-month follow-up (*Mdn* = 6.94, SD = 3.70; *Mdn* = 19.50, SD = 3.94; *Mdn* = 17.50, respectively). As shown in Table 2, the change in well-being, while increasing as hypothesized, was not statistically significant. However, changes in financial behavior and financial knowledge were significant.

Table 2
Pre-test, post-test, and three month follow-up statistics

Assessment	Range	*Mdn*	*M*	*SD*	*Sig.*
PHQ-9					
Pre-Test	0.00-6.00	3.50	3.50	1.93	
Post-Test	1.00-5.00	2.00	2.37	1.50	n.s.
Post-Post Test	0.00-6.00	2.50	2.50	1.77	n.s.
OQ.45.2					
Pre-Test	16.00-58.00	44.50	40.75	14.42	
Post-Test	11.00-59.00	27.50	31.00	18.84	**
Post-Post Test	10.00-51.00	35.00	31.38	14.99	**
IFDFW (Financial Well-being)					
Pre-Test	1.38-9.25	5.38	5.48	2.29	
Post-Test	4.13-9.38	6.94	6.77	1.90	n.s.
Post-Post Test	3.88-9.38	6.94	6.92	1.85	n.s.
Financial Behaviors					
Pre-Test	9.00-20.00	12.00	13.50	3.70	
Post-Test	14.00-23.00	19.50	19.12	3.27	**
Post-Post Test	13.00-24.00	19.50	18.88	3.94	**
Financial Knowledge					
Pre-Test	8.00-18.00	14.00	13.62	3.42	
Post-Test	12.00-23.00	16.50	17.12	4.12	*
Post-Post Test	15.00-24.00	17.50	17.87	2.80	**

Note: n.s. = not significant; $^*p < .05$ $^{**}p < .01$

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DISCUSSION

The literature has suggested for a number of years the need to develop specific practice models and approaches for use by financial therapists, financial counselors, and financial planners. For example, Langrehr (1991) noted that financial counselors and planners would benefit from using counseling techniques derived from psychological approaches. More recently, Archuleta and Grable (2010) and Britt et al. (2015b) called for the investigation of theoretically informed practice models that can be applied to clients seeking financial counseling or financial therapy. Solution-focused is easily adaptable to different presenting issues and situations (Lethem, 2002). The current study on solution-focused financial therapy (SFFT) is one of the few financial therapy modalities to be tested with any kind of data, utilizing rigorous methods.

Results from this study show the potential of SFFT as being an effective approach when working with clients facing financial stress. Nominal scores improved in all areas between pre-test and three-month follow-up, however clinical distress or mental health functioning, financial behaviors, and financial knowledge were the only areas that showed significant changes. One reason that depressive scores (PHQ-9) may not have been significant is due to the low levels of depressive symptoms that clients presented at the outset of the study as this was a requirement of the study. One may expect that mental health distress may have had similar results, but in this study the decrease in mental health distress significantly lowered. However, the OQ.45 that measured mental health covers a broad set of mental health functioning items and does not measure the same symptoms as the PHQ-9.

Another interesting finding is that although financial well-being scores improved, they were not significant. These results may be due to two different issues. First, well-being scores were not extremely low at the pre-test. If scores would have started lower, then there may have been more room to increase well-being. Second, as clients become more knowledgeable about their finances and began improving financial behaviors, they may have become more financially distressed because they learned what they needed to do and keep doing to improve their financial situation.

Implications

Several implications for practitioners and educators can be made as a result of these findings. First, utilizing a theoretically grounded approach to client intervention provides a lens for viewing how clients function related to finances. Working within such a framework allows practitioners to provide services that are more coherent and consistent. As a result, clients achieve positive outcomes more regularly. Not only is the solution-focused approach a way of working with clients in practice, it is also a way of thinking. Practitioners who employ a solution-focused approach often adopt the principles and assumptions of the model, allowing them to think in a way that naturally evokes solution-focused strategies and interventions. This process does take time and practice, but therapists, counselors, and planners will find that such a model gives them tools they can use, especially when they come to a point when they are not sure what to do next with a client. The approach is unique and

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effective because it moves a client from dwelling on past mistakes to focusing on solutions that have worked in the past as a guide to future behavior.

Second, teaching financial therapy skills to financial counselors and planners can be a difficult task as there are few, if any, theoretically informed approaches that are currently taught in most financial counseling and planning programs. It is not that programs are not interested in teaching these methods, but rather, very few evidence-based models exist. Having an approach that is rooted in a theory, which provides assumptions, principles, and strategies, can easily be taught. In fact, in marriage and family therapy programs, solution-focused therapy is widely used because students can easily grasp the concepts, principles, and assumptions. However, the art of implementing the approach requires practice. The same holds true when adapting Archuleta et al.'s (2015) manual.

Third, this particular pilot study used university students as participants. Although this strategy was for convenience, and to ensure that clients shared a similar attribute, the results suggest that SFFT can be used effectively with university students. This may be ideal for colleges and universities that have a financial counseling center on campus. Counseling staff and/or peer counselors can be trained to use SFFT to help clients not only with their financial issues, but to lower distress related to experiencing financial problems.

As described in this study, the SFFT model, as conceptualized by Archuleta et al. (2015), utilizes a team approach, which is consistent with traditional solution-focused therapy modalities. In solution-focused therapy, a team of observers, typically comprised of more than one therapist, observes the therapist working with the client(s). The objectives for the solution-focused therapy team are much the same as the objectives of the SFFT observer as described in the methods section. In this study, a financial therapist or faculty member trained in the opposite field, when possible, acted as the observer. The observer was not in the room with the financial therapist but viewed the session in the next room through a live video feed. This way, the observer was able to provide immediate feedback when the financial therapist took a break. At break time, the observer and financial therapist had the opportunity to brainstorm interventions and homework ideas that might best help the client in addition to discussing the client's strengths. The use of an observer from an opposite field was particularly helpful when providing insights about the client in regards to their financial situation and psychological, emotional, and relational states because often the financial therapist was either not aware of or had not thought of the issues presented by the observer. This helped the financial therapist maintain a solution-focused stance and utilize solution-focused interventions.

Finally, SFFT promotes mental health and personal finance fields joining forces. Based on results from this study, it is reasonable to believe that SFFT provides promise not only for financial therapists, but also for professionals who primarily identify themselves as financial counselors and mental health therapists who work with clients facing financial issues. Since clients often experience depression, anxiety, and distress as a result of financial issues, treating financial stress and clinical distress concurrently may be another area in which to implement solution-focused therapy. Recent literature (e.g., Archuleta & Grable, 2010; Durband, Grable, & Britt, 2010; Klontz, Britt, & Archuleta, 2015) supports the revolutionary

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promise of financial therapy, which is defined as the integration of cognitive, emotional, behavioral, relational, and economic aspects that promote financial health (Financial Therapy Association, 2014). The teaming of mental health and financial professionals in an approach like SFFT could be well suited for those interested or practicing financial therapy.

In addition to financial counselors and mental health therapists, financial planners may also find this approach useful. Although the client concerns in this study dealt primarily with budgeting and debt management issues, more traditionally linked to financial counseling types of topics, SFFT can most likely be successful when employed with the clients whose major focus is learning about investments and developing financial goals, which are areas that financial planners address in practice.

Limitations and Future Directions

While the results from this study are noteworthy, certain limitations do exist. Generalizability is a limitation. However, generalizability is a common limitation in pilot studies like this one where only university students who were predominantly similar in demographic and socioeconomic status were involved. As a small clinical pilot study, the number of participants was limited. Also, no control group was used. While these are limitations, it is important to note that this is among the first studies to attempt to validate a financial therapy manual approach to client intervention. Results do indicate that a larger scale study is warranted (Leon, Davis, & Kraemer, 2011). Specifically, results show that participant nominal scores improved from pre-test to three-month follow-up in all areas, while scores significantly improved in the following areas: distress, financial behaviors, and financial knowledge. It will be important for future studies to further these results by conducting a true experimental design study, using a control group with a larger, more diverse sample that encompasses a broader population beyond university students.

Conclusion

It is the opinion of the authors that SFFT is not the only approach that can be used with financial therapy clients; however, to the authors' knowledge, SFFT is one of the few approaches in financial therapy that has had any testing to date (see Klontz et al. 2015). One of the difficulties in testing existing financial counseling and planning approaches is that these modalities are not theoretically informed and largely vary from one practitioner to another. In short, these approaches have been developed over time and based on individual practitioner experiences. As a result, very few models been articulated in way that can be replicated by another practitioner, which limits testability. This is discouraging as many of these methods may be very effective and be useful in training future and current financial therapists, counselors, and planners.

In conclusion, this study is the first test of Archuleta et al.'s (2015) SFFT manual. Results from this pilot test suggest positive results for those who participated in the study. The pilot data indicate that the SFFT model can be a useful tool when helping clients achieve successful outcomes. However, and as noted previously, larger scale studies are needed to confirm the effectiveness of SFFT as a financial therapy approach. In the meantime, SFFT

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may be an approach that financial therapists, counselors, planners, and educators, as well as mental health professionals working with financial issues, may want to utilize in their work with clients. It is also a modality that can be implemented in academic programs offering financial therapy, counseling, and planning courses as a technique that has been manualized. With each client's goal(s) at the center of the approach, SFFT principles, assumptions, and strategies can be implemented in multiple financial settings.

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ISSN: 1945-7774

The Financial Health of Mental Health Professionals

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Recent research has suggested that mental health professionals may be at greater risk of endorsing money scripts associated with lower income, lower net worth, and problematic financial behaviors. This study more closely examined the financial health of mental health professionals using the Financial Health Scale (FHS). Data was collected from 264 individuals recruited through financial seminars given by the researchers and through social media. Results indicated that when compared to other occupations, mental health professionals report significantly lower levels of financial health. Regardless of occupation, money status and money worship scripts were associated with lower levels of financial health, while money vigilance scripts were associated with higher levels of financial health. These results are of interest to financial counselors and educators to inform their work with those in the mental health profession who may be at greater risk of lower financial health.

Since 2007, the American Psychological Association's annual "Stress in America™" survey has found money to be the number one source of stress in the lives of three out of four Americans (American Psychological Association, 2012). A growing number of mental health professionals are aware of a connection between money and psychological well-being (Trachtman 2011; Klontz, Kahler, & Klontz, 2008). Trachtman (1999) discussed how—despite the importance of money in everyday life—money is rarely addressed in mental health training programs and consequently is rarely integrated into patient treatment. Trachtman went so far as to say that money issues have been "perhaps the most ignored subject in the practice, literature, and training of psychotherapy" (p. 276). Financial counselors and educators have a great opportunity to reverse this trend by collaborating more closely with mental health professionals. Mental health professionals have a wealth of information to share with financial counselors and educators in return.

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Mental health professionals' "unresolved feelings about money" have been noted in the literature in regards to mental health professionals' uneasiness about accepting fees from clients (Herron & Welt, 1992; Monger, 1998; Shields, 1996). Klontz and associates (2008) suggested that with regard to mental health professionals, "many people in this field have chosen their careers because they have more of an affinity for emotional, intuitive work than they do for numbers and bookkeeping….education for these professionals rarely includes training in managing a practice in a businesslike and financially sound manner" (p. 238). It has been argued that the mental health field as a whole has avoided addressing the topic of money in their own lives, as well as the lives of their clients (Klontz, Bivens, Klontz, Wada, & Kahler, 2008; Trachtman, 1999).

Perhaps the father of modern psychology is to blame for this startling omission in the mental health field. Sigmund Freud wrote that the most extensive symbolic connection is between interest in money and defecation and advocated for treating patients' money complex (Freud, 1989). While identifying psychological conflicts around money as being an important issue, Trachtman (1999) noted that with regard to Freud's own father's financial difficulties, Freud "preferred to suppress rather than explore their impact on him" (p. 283).

Results of at least one prior study have gone beyond anecdotal evidence and identified that mental health professionals may have a greater tendency to hold negative money scripts when compared to other professions (Klontz & Britt, 2012). However, the data thus far is by no means conclusive and more research is needed to examine the financial health of mental health professionals compared to other professions. The purpose of this study was to further examine the relationship between money scripts and financial health based on occupation using the Klontz-Britt Financial Health Scale (FHS), with a special focus on mental health professionals.

FINANCIAL HEALTH

Defining financial health is a complicated task. When examined from a wellness perspective, it has been suggested that financial health is determined by a combination of financial satisfaction, financial behavior, an individual's subjective assessment of his or her financial health, and the individual's objective financial status (Joo & Bagwell, 2003). According to Joo's (2008) comprehensive review of the meaning and measurement of financial wellness and related terms, financial wellness is a "multidimensional concept incorporating objective and subjective components of well-being" (p. 26). In order to further explore the meaning and measurement of personal financial wellness, Joo (2008) surveyed 216 financial counseling and planning professionals that reported on their own definitions that were evaluated using content analysis. The results of the study confirmed that financial wellness is represented objectively by having a low debt level, an active savings plan, and following a plan and subjectively in terms of high levels of satisfaction and low levels of financial stress (Joo, 2008). For purposes of this study, Joo's definition of financial wellness is used to describe what we term financial health. We chose to replace the term "wellness" with "health" as a matter of preference, to allow for the use of qualifying adjectives in a more linguistically pleasing manner (e.g., poor health or good health versus poor wellness or good

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wellness). It is important to note that financial health does not simply mean having a high level of resources, but it is based on other subjective measures of well-being as well.

Money Scripts

Social learning theory indicates that individuals learn from social interactions, which could involve watching other people's behaviors or being told how to behave from others such as parents, teachers, or media. Individuals will tend to repeat actions that are rewarded and reduce behaviors that are punished (Bandura, 1977). Cognitive-behavioral therapy (CBT) is grounded in the idea that changes in underlying belief structures lead to changes in emotional experience and behaviors (Beck & Beck, 2011). Based on these perspectives, it is apparent that one's beliefs about money, no matter how they were formed, will influence financial behaviors. Consumer literature has documented a connection between beliefs, sometimes exhibited through values and life history, as well as money behaviors (see the work of Klontz & Klontz, 2009; Mellan & Christie, 2004; Orman, 1997; Ramsey, 2003).

The empirical literature, in contrast, is much more limited in the explanation of the connection between money scripts and money behaviors. An exception is that of Prince (1993) who found that possessive actions toward money, such as how individuals are compensated, is viewed relative to self-worth and money in social settings, which are related to money scripts. Mitchell and Mickel (1999) explored how attitudes about money and compensation impact interactions in the workplace and how people work with money. Their findings simply suggest that not all individuals react the same to money issues and this must be taken into account in management decisions.

Yamauchi and Templer (1982) identified four money attitudes in their development of the Money Attitude Scale (MAS), including Anxiety, Power-Prestige, Time-Retention, and Distrust. Subsequent research on the MAS found that those who believe that money is closely related to social status have lower levels of emotional intelligence (Engelberg & Sjoberg, 2006) and are more loss averse (Engelberg & Sjoberg, 2007). Beliefs about self-worth have been found to be positively correlated with financial satisfaction and negatively correlated with overspending and financial worry (Hira & Mugenda, 1999). In the development of the Klontz Money Script Inventory (KMSI), Klontz and colleagues found that money scripts are associated with net worth, income, revolving credit, and socioeconomic status in childhood (Klontz, Britt, Mentzer, & Klontz, 2011) and can predict a variety of disordered money behaviors, including compulsive buying, pathological gambling, compulsive hoarding, financial infidelity, financial dependence, and financial enabling (Klontz & Britt, 2012).

Occupation

Preliminary research by Klontz and Britt (2012) showed that some occupations may be more disposed than others to negative money scripts and behaviors. Their findings compared financial advisors to other professionals and suggest that mental health professionals are more likely to be money avoidant, business professionals tend to be more secretive and anxious regarding money, and mental health professionals and educators are more inclined to avoid money issues by not thinking about money, avoiding looking at bank statements, and trying to forget their financial situations.

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Demographic Characteristics

Gender, age, and marital status have been analyzed relative to financial attitudes and financial health. According to Woodyard and Robb (2012), men appear to have a higher degree of financial knowledge than women. However, both men and women reflect increased financial knowledge as they grow older. In another study, men saw money as a tool of power or prestige, while women used money for self-gratification (Falahati & Paim, 2011). Robb and Woodyard (2011) found that positive financial behaviors and financial satisfaction increase with age as well as with increased levels of education. For the most part, married individuals tend to experience higher net worth over the lifespan compared to other marital statuses (Lee & Dunn, 2012).

Financial Status

Income, education, and net worth were found to be associated with financial health and considered identifiers of financial status in this study. Americans with household income greater than $75,000 generally feel that they have enough to live comfortably, whereas the sense of adequacy falls with lower household incomes (Saad, 2012). When asked how much income would make you feel rich, a 2011 Gallup poll found that the median response was $150,000 (Jones, 2011). Americans' sense of financial comfort is directly related to whether or not they have a college education, with those having a college education feeling more financially comfortable (Saad, 2012). Although Porter and Garman (1993) did not find a significant association between perceived net worth alone and financial well-being, net worth was considered a significant predictor of financial well-being.

Other identifiers of financial status include childhood socioeconomic status (SES) and financial knowledge. Christelis, Dobrescu, and Motta (2012) researched whether early life conditions, including SES, influenced risk taking behavior and one's investment portfolio. They found a positive relationship between higher SES and the ownership of stocks, mutual funds, retirement accounts, and financial risk taking. In a study examining the components of financial health as identified by personal finance educators, practitioners, and researchers, Joo and Bagwell (2003) found subjective financial knowledge to be a significant factor.

Life Satisfaction

Life satisfaction is related to financial health. Finally, Porter and Garman (1993) found that how satisfied an individual is with his or her life in general helped explain variance in perceived financial health. These elements inform how financial health is assessed in attitudes among demographic and occupational groups.

METHODS

The purpose of this study was to explore the relationship between money scripts and financial health based on occupation. Based on previous literature, it is hypothesized that mental health professionals will report lower levels of financial health than other

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professionals. It is also hypothesized that mental health professionals will be more likely to endorse negative beliefs about money and wealth.

Sample

The sample used to answer this question consisted of individuals recruited through email invitations to several listserves of mental health professional groups, an association of business professionals, and through social media. The respondents tended to have higher income and self-reported net worth than the average American population. Because of the sampling methods used for this study, the sample consisted of a large percentage of mental health professionals, which included psychologists, social workers, counselors, and marriage and family therapists. Full descriptive statistics are reported in the results section.

Financial Health

Financial health was measured by the newly developed Klontz-Britt Financial Health Scale (FHS). It was based on a comprehensive measure of financial health that has been used in evaluating financial therapy outcomes in a small sample (Klontz et al., 2008). The original list of financial health indicators was expanded to 64 items for the sample used in this study. Respondents were asked to indicate the extent to which they agreed or disagreed with each item on a seven point Likert-type scale where 1 = *strongly disagree* and 7 = *strongly agree*.

A principal components factor analysis was then conducted to determine if the items held up as a scale. The unconstrained factor analysis produced six factors with eigenvalues above 1.0. A separate principal components factor analysis was then conducted limiting the factors to six. The first factor contained 44 items with factor loadings above .40. Three of those loaded higher on other factors and were therefore eliminated from factor 1. Fifteen of the 44 items had negative loadings and were separated out in the final analysis as a unique factor. The second factor produced from the principal components analysis contained three items (one item was ultimately dropped to increase the subscale reliability), the third factor also contained three items, and the fourth and fifth factors contained two items with factor loadings above .4. The two items from the fourth factor produced a low Cronbach's alpha (α = .65) and was dropped from further analysis. The fifth factor did not make sense as a subscale and the Cronbach's alpha confirmed low reliability (α = .16), so it was dropped from further analysis. The sixth factor only had one item with a loading of greater than .40, so it was also dropped from further analysis.

The final four factors (49 total items) retained for the Klontz-Britt Financial Health Scale (FHS) are shown in Table 1 with their items loadings, reliability estimates, and subscale name. The four subscales of financial health, used as the dependent variables in this study, were named: (a) global financial health (α = .94), (b) money disorders (α = .90), (c) risk planning (α = .82), and (d), self-care (α = .77).

Predictor Variables

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Money scripts. The Klontz Money Script Inventory-Revised (KMSI-R) was used to assess four money scripts: (a) money avoidance—fear and avoidance of money, (b) money worship—obsession to acquire money to advance in life, (c) money status—view that money represents one's worth, and (d) money vigilance—frugality and respect for money. The KMSI-R is a shortened version of the KMSI, reducing the inventory from 51 to 32 items. Previous research has linked the KMSI subscales to net worth, income, and financial behaviors (Klontz & Britt, 2012; Klontz, Britt, Mentzer, & Klontz, 2011). Some of the attributes of money avoidance include the tendency to believe that money is bad and a general dislike for "rich" people. Money worship is the belief that more money will solve all of life's problems and bring happiness. The money status script is associated with a tendency to want the newest and best personal property because it provides a sense of self-worth. In contrast, money vigilance is associated with a belief in frugality and saving. Money vigilance had a low reliability estimate with this sample, but was retained since it has been established as a reliable scale in prior research.

Occupation. Occupation was categorized by being either a mental health professional (e.g., social worker, psychologist, psychiatrist, marriage and family therapist, or counselor) or a member of any other occupation (e.g., financial planner, business professional, educator, etc.). Mental health professionals were used as the reference category given the focus on that occupation for this study.

Demographic characteristics. A number of demographic characteristics were identified in the literature that may contribute to financial health behaviors. In this study, males were coded 1 and females were coded 0. Due to the population in which the sample was drawn, race was split into the two most dominant groups of non-Hispanic white and Asian American with the addition of an "other" category. Non-Hispanic white was the reference category used in the regression analysis. Married respondents were coded 1 and all others were coded 0. Age was coded on a continuous basis.

Financial status. Financial status was measured in several ways. Income was coded on a continuous basis. Net worth was also measured by asking respondents to indicate how much money they would have left over if they turned all of their assets into cash and paid off all their debts on a scale of 1 to 5 where 1 = *be in serious debt*, 3 = *break even*, and 5 = *have money left over to assess for subjective net worth*. Childhood socioeconomic status was also measured. To gather childhood socioeconomic status, respondents were asked to indicate which of the following best describes their family during their growing up years: 1 = *lower class*, 2 = *lower middle class*, 3 = *middle class*, 4 = *upper middle class,* and 5 = *upper class*. Finally, subjective financial knowledge was gathered by asking respondents to indicate how they would rate their financial knowledge compared to their peers on a scale of 1 to 10 where 1 = *lowest level* and 10 = *highest level*.

Life satisfaction. The five-item Satisfaction with Life Scale (Diener, Emmons, Larsen, & Griffin, 1985) was used to assess general life satisfaction. Respondents were asked to indicate how strongly they agreed or disagreed with five life satisfaction statements on a scale of 1 to 7 where 1 = *strongly disagree* and 7 = *strongly agree*. The items assessed for (a) life being close to ideal, (b) life conditions being excellent, (c) satisfaction with life, (d) receipt

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of important things in life, and (e) inclination to change nothing in life. Scores could range from 5 to 35, with higher scores indicating greater life satisfaction. The Satisfaction with Life Scale has been shown to have strong internal consistency, with Cronbach's alpha ranging from .79 to .89 (Pavot & Diener, 1993). Cronbach's alpha for the Satisfaction with Life Scale in the current study was observed to be .89.

Data Analysis

An ordinary least squares regression was used to determine the predictors of financial health with a special focus on the mental health occupation. A follow-up analysis of variance (ANOVA) was conducted with the subcategories of financial health and mental health professionals versus non-mental health professionals to determine mean differences in financial health based on occupation. Data was analyzed using SAS version 9.3 for Windows. To account for possible multicollinearity with the data, variables were analyzed using correlations and collinearity diagnostics prior to running the regression. No multicollinearity issues were noted.

RESULTS

Descriptive Statistics

Table 2 provides the descriptive statistics for each of the variables. A total of 264 surveys were collected. Because of missing data associated with the four dependent variables, each of the regression analyses reports a different sample size. Descriptive statistics are based on the fullest data available for each variable. In general, participants were primarily female (66%), white (76%), and slightly more likely to be married (59%) than not married. The average age of participants was 50, with a range of 22 to 79 years of age.

The average income of participants was quite high at $104,345 with a range of $0 to $1,000,000. The average net worth was high (4.3 on a scale of 1 to 5) indicating that respondents, on average, would have money left over if they sold all of their assets and paid off their debt and almost be set for retirement. Childhood socioeconomic status was 2.91 on a scale of 1 to 5 indicating that, on average, participants reported growing up in a middle-class family. When respondents were asked how they would rate their financial knowledge compared with their friends on a scale of 1 to 10, the average was a score of 6.70 or slightly better than peers. The largest single occupation represented in the sample was mental health professionals (41%), while the "other" category comprised 49% of the sample.

Respondents were asked several questions that would assess their money scripts according to the KMSI-R. Results indicated that the sample, as a whole, did not hold strong money avoidance or money status beliefs. However, on average, the respondent's response style did indicate that they held one or more money worship and money vigilance beliefs.

On average, respondents reported being somewhat to moderately agreeable that their general financial health is positive, that they had done future and estate planning, and they take care of themselves. Respondents reported feeling ok if their partner earned more

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or less than themselves. On average, respondents reported being moderately disagreeable when asked if they had money disorders.

Regression Results

As shown in Table 3, several independent variables significantly correlated with the four subscales of financial health. Each of the four OLS regression models were a good fit for the data and were significant at the .001 level. The results indicated that 69% of the variance in global financial health status was accounted for with the independent variables used in the analysis. For the other three models, the adjusted R^2 was 53%, 36%, and 29%, for the money disorders, risk planning, and self-care subscales, respectively.

Global financial health. The statistically significant predictors of the global financial health subscale included status as a mental health professional, race, net worth, financial knowledge, and life satisfaction. Compared to other professions, mental health professionals were significantly less likely to report having good general financial health (b = -7.17, p < .05). Asian-Americans reported higher global financial health as compared to Whites and other races combined (b = 13.20, p < .01). Those with higher net worth (b = 6.87, p < .001) and higher financial knowledge (b = 6.72, p < .001) reported higher global financial health scores. Finally, life satisfaction was positively related with global financial health (b = 1.53, p < .001).

Money disorders. Mental health professionals scored significantly higher on the money trouble subscale as compared to non-mental health professionals (b = -5.57, p < .05). Those reporting money disorders were significantly more likely to hold money status beliefs (b = 0.79, p < .01). Men were significantly less likely to report having money disorders (b = -4.66, p < .05). Those with higher net worth (b = -3.64, p < .001) and higher financial knowledge (b = -2.33, p < .001), reported having less money disorders. Finally, those reporting money disorders also reported significantly less life satisfaction (b = -0.74, p < .001).

Risk planning. Those reporting higher risk planning scores, were significantly less likely to hold money worship beliefs (b = -0.14, p < .001) and significantly more likely to hold money vigilance beliefs (b = 0.12, p < .01). Asian-Americans reported higher scores for risk planning as compared to Whites and other races combined (b = 1.46, p < .05). Those with higher income (b = 0.05, p < .05), higher net worth (b = 0.56, p < .05), higher financial knowledge (b = 0.40, p < .01), and higher life satisfaction (b = 0.10, p < .05) reported higher scores in risk planning.

Self-care. Those with higher net worth (b = 0.61, p < .05) and higher life satisfaction (b = 0.25, p < .001) reported higher self-care scores.

ANOVA Results

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The only statistically significant difference in subcategories of financial health with mental health professionals as the grouping category was with the general financial health subscale, as might be expected from the regression results. Mental health professionals scored, on average, 11 points lower than non-mental health professionals ($F = 5.47$, $p = .02$).

DISCUSSION

Mental health professionals often choose to become mental health professionals out of a desire to help others. In graduate school programs in the mental health field, it is not uncommon to be told that money is unimportant or that one should not enter the profession with the idea of making money or that an interest in money is somehow selfish or impure (Klontz, 2012; Klontz et al., 2008). Recent research has identified that mental health professionals may, in fact, be more likely to hold money avoidant beliefs, including the belief that money is bad, rich people are greedy, or there is virtue in living with less money (Klontz & Britt, 2012). Klontz and Britt also found that when compared to financial advisors, mental health professionals are more likely to try to avoid thinking about money, avoid looking at their financial statements, and try to forget about their financial situation. The current study provides further evidence that mental health professionals are at financial risk. Specifically, when compared to other professions, the results suggest that mental health professionals are significantly less likely to report good global financial health, including paying off their credit cards each month, having money set aside for emergencies, having a budget, having adequate insurance, feeling comfortable with their financial status, being confident with their financial knowledge, and having adequate investment strategies to reach their financial goals.

This study is not without its limitations. Data was collected through the use of convenience samples that relied exclusively on subjects' self-report. Future research would benefit from larger, random sampling procedures and information from a variety of sources. While it has its limitations, the study does provide support for the negative consequences of the mental health "money taboo" identified by Trachtman (1999). Despite financial problems being the number one source of stress in the lives of Americans (APA, 2012), it has been argued that mental health practitioners have historically ignored the topic in their work with clients (Klontz, et al., 2008; Trachtman, 1999). Perhaps the avoidance of money issues by the mental health profession is spurred in part by a desire to avoid their own financial stress. As mentioned above, researchers have found that mental health providers are more prone to endorse money avoidance beliefs than other professions (Klontz & Britt, 2012).

In their study on the treatment of disordered money behaviors, Klontz et al. (2008) reported that, "while evidence exists to support the notion that destructive financial behaviors are the manifestation of underlying psychological disturbance, the field of psychology has done little to identify the problems as a focus of treatment or to develop effective treatments aimed at improving financial health" (p. 306). They urged "therapists to consider the potential value of assessing for, and targeting disordered financial beliefs and behaviors in their provision of holistic and effective mental healthcare" (p. 306).

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In an effort to develop a more comprehensive measure of financial health, this study also lead to the development of the Klontz-Britt Financial Health Scale (K-BFHS). A benefit of the K-BFHS is its ability to measure four distinct aspects of financial health, which may be of interest to researchers and practitioners. This includes scales measuring what has been named global financial health, money disorders, risk planning, and self-care. In addition to providing a snapshot of a client's overall financial health, it is possible that the K-BFHS could be used to measure changes in a client's financial health status, possibly as the result of a financial therapy intervention.

Financial counselors and educators could use the results of this study to inform their work with those in the mental health profession. Compared to other professions, there is need for financial training in the mental health arena, which would not only improve the mental health professional's own financial health, but also improve their comfort level and knowledge to incorporate financial health into their treatment plans. The training should focus on basic aspects of personal finance, including budgeting, crediting, loans, time value of money, and mutual fund basics.

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Table 1
Klontz -Britt Financial Health Scale

FHS Item	
Subscale 1: Global Financial Health (α = .94)	**Factor Loading**
I am proud of where I am financially.	.80
I am investing money for the future.	.78
I am taking the steps necessary to meet my financial goals.	.76
The way I manage money is consistent with my values, goals and dreams.	.75
I have invested my money in ways that will help me achieve my financial goals.	.74
I review my financial plan/status at least once a year.	.73
My spending is under control.	.72
Financial issues do not depress me.	.70
I believe my family functions well around money.	.69
I have money set aside for emergencies.	.67
I have clear financial goals for the future.	.67
I am at peace with my will/estate plan.	.66
I am comfortable talking about money issues.	.65
I feel good about how my family interacts around money.	.65
I consistently follow my spending budget.	.63
Financial issues do not confuse me.	.63
I am saving the money I need for education (for myself, children, or grandchildren).	.62
I think I know what I need to know about money and finances.	.57
I talk openly about money with my partner/spouse.	.57
I pay off my credit cards every month.	.56
I have adequate insurance to cover my property.	.54
I have a spending budget.	.54
I have a financial planner.	.52
My spouse/partner and I have the same financial goals and dreams.	.50
I am saving for goals such as a car, a house, etc.	.45
I do not owe any back taxes.	.45
I have a tax advisor.	.40
I am invested in at least five different classes of assets (e.g., cash, US stocks, foreign stocks, US bonds, foreign bonds, real estate, natural resources, etc.)	.67
I make regular contributions to my personal or company retirement savings plan(s).	.44
Subscale 2: Money Disorders (α = .90)	
I feel guilty about how I have handled my finances.	.80
I often spend more money than I can afford to spend.	.76
No matter how hard I try I can't stick to a budget.	.74
I feel shame about my past financial behaviors.	.73
I have trouble controlling my impulse to buy things.	.66
I have lots of fears and insecurities around money.	.64
I avoid thinking about money, retirement and my financial future.	.64
I avoid discussions about money.	.61

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I often buy things in an attempt to make me feel better.	.61
There is conflict in my family around money.	.55
I feel guilty when I spend money.	.51
I have trouble following through on my financial plans and commitments.	.48
I obsess about financial matters.	.48
I let others take advantage of me financially.	.44
I struggle with spending money impulsively.	.40
Subscale 3: Risk Planning (α = .82)	
I have a plan to secure money in case I become ill or disabled (e.g., disability, long-term care insurance).	.44
I have a plan for meeting my financial goals in the event something happens to me.	.43
Subscale 4: Self-Care (α = .77)	
I let myself take vacations.	.52
I allow myself time to play.	.47
I feel comfortable spending money on myself.	.45

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Table 2
Sample descriptive statistics

	Alpha	Mean (SD)	Range
Dependent Variables			
Global Financial Health	0.94	135.60 (31.45)	52-186
Money Disorders	0.90	43.41 (17.36)	15-95
Risk Planning	0.82	9.15 (3.98)	2-14
Self-Care	0.77	15.90 (3.90)	3-21
Mental Health Professionals		0.41 (0.49)	0-1
Money Scripts			
Money Avoidance	0.80	20.12 (6.26)	10-39
Money Worship	0.77	21.45 (6.63)	7-41
Money Status	0.71	11.39 (3.77)	7-23
Money Vigilance	0.55	30.56 (5.02)	17-43
Demographic Characteristics			
Male		0.34 (0.47)	0-1
White		0.76 (0.43)	0-1
Asian-American		0.14 (0.34)	0-1
Other		0.10 (0.30)	0-1
Married		0.59 (0.49)	0-1
Age		50.11 (1.45)	22-79
Financial Status			
Gross income		104,345 (108,398)	0-1,000,000
Net worth		4.30 (1.27)	1-5
Childhood SES		2.91 (0.93)	1-5
Financial knowledge		6.70 (2.07)	1-10
Life Satisfaction	0.89	25.57 (6.36)	6-35

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Table 3
OLS regression results predicting financial health

Predictor	Sub-factors of financial health: Global Financial Health	Money Disorders	Risk Planning	Self-Care
Mental Health Professionals	-7.17*			
Money Scripts				
Money Avoidance				
Money Worship			-.14***	
Money Status		.79**		
Money Vigilance			.12**	
Demographic Characteristics				
Male		-4.66*		
Race (White)				
Asian-American	13.20**		1.46*	
Other				
Married				
Age				
Financial Status				
Gross income/10k			.05*	
Net worth	6.87***	-3.64***	.56*	.61*
Childhood SES				
Financial knowledge	6.72***	-2.33***	.40**	
Life Satisfaction				
Life satisfaction	1.53***	-.74***	.10*	.25***
N	160	176	184	183
F	21.13***	12.02***	6.18***	4.46***
R^2	.69	.53	.36	.29

*Note: * p < .05, ** p < .01, *** p < .001*

ISSN: 1945-7774

Three Interventions for Financial Therapy: Fostering an Examination of Financial Behaviors and Beliefs

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Three interventions that address the emotional components of handling finances are proposed. Drawn from a stepwise model of financial therapy, the three interventions introduced here have the specific aim of incorporating the emotional attributes of traditional financial behaviors and beliefs. First, the Financial Genogram identifies family of origin issues that may affect financial behaviors; second, the Financial Landscape intervention is used when emotional stress occurs in collecting and examining financial documents; and third, the Financial Mirror broadens clients' perspectives of their financial behaviors. Issues in future research and implementation of the Five Step model are addressed in treating financially distressed clients.

Keywords: family; finance; financial therapy; five step model; genogram

There has been agreement in the growing field of financial therapy that some type of merging between financial counseling techniques and therapeutic interventions should be used in order to effectively work with financial therapy clients (Ford, Baptist & Archuleta, 2011). Emotions are a key component when considering financial problems (Papp, Cummings & Goeke-Morey, 2009; Anderson, 2005), and financial problems in couples and families tend to be the most intractable to resolve (Papp et al., 2009). From a therapeutic point of view, money and financial management behaviors are often symbolic of emotional needs, such as security, acceptance, and fulfillment (Shapiro, 2007). Financial decisions are frequently made based on emotions, as opposed to well-defined guidelines for financial

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management and planning (Loewenstein, 2000; Williams & Grisham, 2012). One study found that conflicts about finances was not the most argued about topic between couples (finding that arguments about children, chores, communication, and leisure were more frequent). However, they found that conflicts over finances were most likely to result in negative behaviors and misunderstandings, were more intense and lasted longer, and held more long-term significance to couples than arguments about other topics (Papp et al., 2009). From a financial counseling point of view, there continues to be difference between financial literacy (knowing and understanding matters of personal finance) and financial capability (putting personal finance knowledge into practice) (Johnson & Sherraden, 2007). Additionally, not being financially capable has been found to produce negative effects on the psychological health of individuals comparable to the negative psychological effects produced by experiences of unemployment and divorce (Taylor, Jenkins & Sacker, 2011).

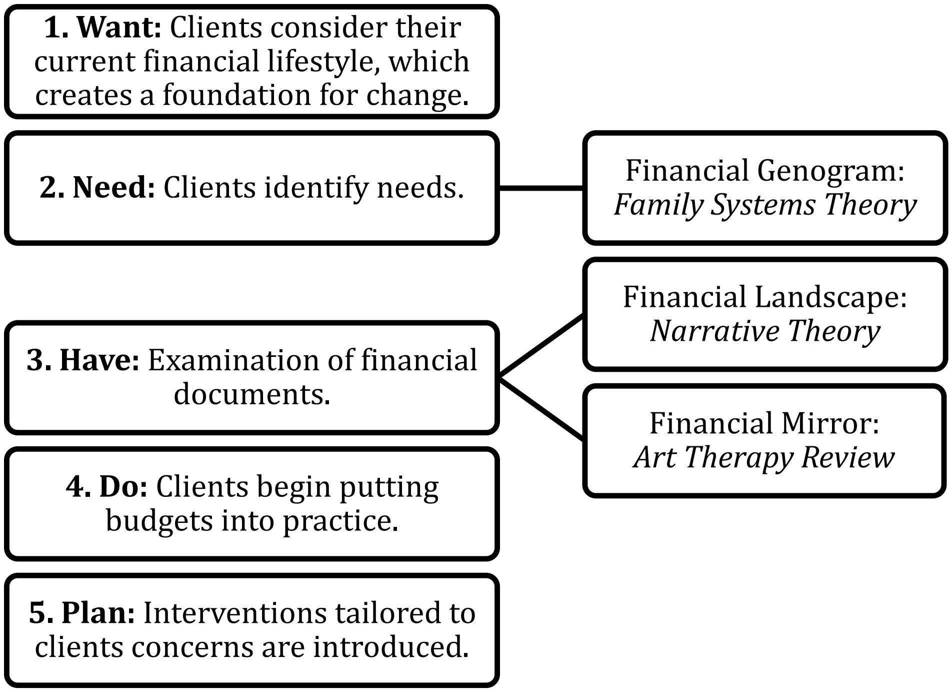
This article identifies three theory-based financial therapy interventions introduced in *Financial Therapy: 5 Steps Toward Financial Freedom* (Smith, Nelson, Richards, & Shelton, 2012) and the updated edition *More Than Numbers: Everyday Financial Therapy* (Smith, Shelton, & Richards, 2014). It expands on the explanation of the interventions provided in the intervention manual by describing the theoretical base for each intervention, and then expounds on the types of questions that should be asked when conducting the intervention. This article makes these three key interventions useful for those who have not received extensive counseling and therapeutic training.

LITERATURE REVIEW

The Five Step Model developed by Smith and colleagues (2012) adapted therapeutic interventions with the goal of treating the emotional components of financial behaviors. It was developed with the belief that the management of personal finances is first and foremost an emotional rather than rational endeavor and sought to adapt therapeutic interventions focused on the emotional components of financial distress (Smith et al., 2012). Their Five Step Model of financial therapy (Want, Need, Have, Do, Plan) consists of psychosocial interventions that help clients work through the emotional issues associated with financial stressors. The three interventions expounded on in this paper (Financial Genogram, Financial Landscape, and Financial Mirror) were chosen because, first, they overtly address the emotional components of healthy financial management and, second, the theoretical base of these interventions was not addressed in the primary text introducing the Five Step Model (Smith et al., 2012). Figure 1 is a diagram of the purpose of each step in the Five Step Model, as well as how the three interventions addressed in this paper (and the theory on which they are each based) fit in the context of the Five Step Model for financial therapy.

Figure 1. Three interventions in context of the five steps to financial therapy (Smith, Nelson, Richards & Shelton, 2012)

ISSN: 1945-7774



This article attempts to: (a) further explain the theoretical basis for each of these three interventions, which was not introduced in the primary text, and (b) make the interventions approachable enough that those without extensive therapeutic or counseling training can use them in their financial therapy sessions. This is done by explaining the interventions in detail and elaborating on possible modes of questioning that can be used to help the client explain issues they have experienced in the past or are currently experiencing.

INTERVENTIONS, THEORIES, AND CLINICAL APPLICATIONS

The Financial Genogram: Family Systems Theory

One factor that guides adults' responses to financial situations is how financial issues were handled by their parents (Jorgensen, 2010). Financial behaviors of parents, family members, siblings, and even friends affect how people respond to their own financial difficulties. Credit card misuse on the part of a sibling, economic hardships of parents, and overspending or spending money on expensive items on the part of a friend are all examples of financial behaviors that potentially affect clients' beliefs. One tool in examining the effect of early experiences is the introduction of a genogram in financial therapy (Weil, 2009).

A genogram is a visual illustration of the family unit or of influential members of a person's life and is used to summarize complex relationships (Watts & Shrader, 1998). First proposed by Murray Bowen in 1978, it replaced the unwieldy term, "family diagram." Genograms help clients understand and visualize family interactions (Frame, 2000; Thomas,

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1998; Kuehl, 1995). They also help clients understand how family dynamics influence their lives (Milewski-Hertlein, 2001). The use of genograms highlights significant factors in a client's early home environment. A genogram consists of interactions among at least three generations of family (Magnuson & Shaw, 2003). Behaviors and occurrences identified in the genogram provide the context of clients' problems.

In drawing a financial genogram, clients are asked to draw their own genogram, starting with the basic layout of family relationships, including parents, siblings, and preferably grandparents. The client then indicates the different financial behaviors of those in the genogram, including whether the person has had economic hardships, an addiction influencing financial behavior, or credit card misuse. Relationship factors are also included in the genogram. For example, parents' financial relationship may be described as healthy, cutoff, or hostile. Incidents of financial infidelity, or when one person hides financial problems from another, are also specified. Clients should also identify other key players in their financial education and lifestyle. This will help clients better understand a more complete picture of influences on their financial perceptions.

A caveat is to not overwhelm clients with the gamut of genogram symbols therapists use. Examples of genogram symbols that may be used when creating a financial genogram can be found in several books addressing the influence of intergenerational family members on future financial beliefs (Smith et al., 2012; Weil, 2009). Clients should also be encouraged to create their own symbols, or simply write out the information, for influential financial behaviors and beliefs not encompassed by the symbols available. While conducting a financial genogram with clients, therapists are encouraged to ask questions about the genogram their clients created. Table 1 lists suggested questions that can be asked of clients while guiding them through the construction and interpretation of their financial genogram. These questions will allow clients to derive patterns and insight.

Table 1

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Financial Genogram questions
Family Patterns • How did your parents handle money? Was one person in charge of the finances more than another? • How did your grandparents handle money in their relationships? • Have any historical events (e.g., the recent recession, the Great Depression) affected how your parents/grandparents/etc., handled finances?
Financial Obstacles • What kind of financial difficulties have occurred in your family? Are there some financial problems that have occurred more frequently in your family than others? • What difficulties do you feel have affected you the most? • How have you grown/been held back by the financial difficulties your family has faced? • What in your family financial history has affected your use of finances the most?
Family Rules • What are the "messages" members of your family taught you about finances? • What were the family "rules" about money? • What financial topics were talked about? What financial topics were not talked about?

The Financial Landscape: Narrative Therapy

McCoy, Ross, and Goetz (2013) provide readers with a critical and useful integration of financial and narrative therapies. They provide an informed discussion of essential features of the use of narrative therapy in financial therapy. This paper provides clinicians with an operationalized method of helping clients review their financial documents. Such reviews provide a forum by which clinicians can ask questions that highlight client strengths. These questions provide therapists with the opportunity to show exceptions to past errors, and in fact builds the foundation on which clients can feel empowered.

A key component of financial planning is to collect financial documents, such as bills, bank account statements, and even receipts from stores. This is often viewed as a mechanical process: "Collect your financial documents; organize the expenditures that have to be included in the budget; set about writing a budget, and cut out financial expenditures not viewed as necessary." What this process lacks is an examination that gets to the heart of expenditures. If the reasoning behind why purchases are made is not examined, changes in the management of finances may not be implemented. Personal insight into why financial behaviors occur and why certain financial decisions are made is essential to the financial therapy process. This section addresses the development of personal insight into expenditures, and suggests ways to make the collection and examination of documents meaningful.

Narrative therapy provides a useful framework in dealing with the stress and anxiety that accompanies the collection and review of financial documents. In narrative therapy, clients' understanding of their story, or experiences they have had, is analyzed and retold to reduce the magnitude of stressors that stem from the experience. In financial therapy, the Financial Landscape is the story that clients are able to tell from their collection of receipts, bills, and records. This exercise helps clients see the small-picture decisions that make up the larger vision of the financial self. Clinicians help clients tell their story about individual financial decisions, and why those decisions were made. Understanding the heuristics

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behind financial decisions helps clients develop a sense of ownership over the money spent, and leads the way into making planful decisions in the future.

As an example of painting the Financial Landscape, a receipt from a pet store where the client took their dog to get groomed may elicit the feelings the client has for their pet. Perhaps the client has no children, and the dog is the only comfort he or she has at home. Grocery bills or clothing receipts may encourage the client to talk about how they prefer to buy brand-name products in place of the store brand, because when they were growing up their family could never afford to buy a brand-name cereal or nicer clothing label. Even something as simple as a gas receipt stimulates conversations with the client about the reasoning behind their financial behaviors or beliefs. Why buy gas for your car if it is cheaper to take the bus? Perhaps the time saved driving a car is more important to the client than the expense of putting gas in a car and paying for its upkeep.

Discovering the financial heuristics clients hold can be an empowering experience for them. Understanding the reasoning behind their own financial behaviors, such as purchasing only brand-name products, getting extensive lines of credit on credit cards, or even participating in “shopping therapy” when stressed, can be an enigma to clients. They may not understand why they are doing such things even in the moment they are spending money. Teaching clients to identify financial heuristics on their own allows them the freedom to examine their financial behaviors and take control of their financial management.

The Financial Landscape intervention consists of three steps needed to guide clients through this process. First, clients collect their financial documents, receipts, and bills. Next, documents are brought into therapy and each document is examined for where the money was spent and how much money was spent. At this point, clients are led to identify the heuristics embodied in purchases by analyzing their expenditures, identifying the story behind each one, and explaining why the amount of money that was spent was chosen.

The process of collecting documents can be not only onerous, but also stressful. Seeing how much money goes toward paying off credit card bills, how much money is spent on eating out each month, and even collecting receipts on grocery bills or gas can be intimidating. This is especially true when the client is in debt. The sight of unpaid bills can induce severe stress responses. For this reason, it is critical to support the client through the process of collecting and analyzing financial documents, even when the process seems simple.

Questions can be asked in order to help clients learn to tell their story. Table 2 contains a list of potential questions therapists can ask clients about the receipts, bills, and financial statements they bring in during the Financial Landscape process. As learning to tell the story about financial decisions may be difficult to put into words, asking questions about why the client has spent money on something is extremely important. Some questions may be evocative. These questions encourage clients to defend their financial decisions in a way that helps them learn to explain the unconscious heuristics behind their purchases.

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Table 2
Sample questions for the Financial Landscape

Generic Questions: • How does that bill/receipt/financial document describe who you are? • Why are you spending what you are on ___? Tell me about the times when you did something that isn't showing up on the receipts? • Can you live without ___? If you can't, or if you are hesitating to change how much you spend on ___, tell me why? Why is ___ important enough to include in your budget? • If you were to spend significantly less on ___, what does that say about who you are? • If you were to spend significantly more on ___, what does that say about who you are? • How would changing the amount of money you spend on ___ change how you perceive yourself? Would it make you feel less/more worthwhile? • How can you separate yourself from being called "spendthrift?" What adjectives would you use to characterize yourself? • During the last 6 months, what events have happened that show you have been smart with the way you have spent money?
Specific examples of how questions can be applied to budget items: • Why spend $50 a week on gas? Riding the bus is cheaper. Why do you choose to spend money on gas instead of riding the bus? Instead of walking? Instead of carpooling? • Why spend $200 a week on food? There are much cheaper brands or types of food you could purchase instead. When was the last time that you bought cheaper brands? Does that give you evidence that you are in charge of your finances?

The Financial Mirror: The Art Therapy Review

While the Financial Landscape is focused on the "small picture," in which clients are given the opportunity to examine their beliefs about individual expenditures, the Financial Mirror offers clients the opportunity to review their entire financial self. This process allows clients to pinpoint financial gaps or problematic financial behaviors in their overall finances. It is essential in the course of financial therapy, as conducting a complete review of problematic financial behaviors and their accompanying emotional distress has been identified as a significant issue in learning better financial management skills (Williams & Grisham, 2012).

The Financial Mirror is based on a process in Art Therapy known as the Art Therapy Review (Art Therapy, n.d.; Rubin, 2001). At the termination phase of art therapy, clients are led to review all of the art they have created while in treatment. Art pieces are posted on a wall and clients are encouraged to review the art they crafted in chronological order. Viewing all of their artwork in a timeline and all at once, as a type of collage, has a therapeutic effect on clients (Rubin, 2010; Ulman & Dachinger, 1975). It allows clients to review the progress and discoveries they have made about themselves during their therapeutic experience. As Marshall (2007) explains, new meaning is derived from a subject when that subject is presented visually. The review process is not meant to teach clients something new. Rather, its purpose is to encourage and create insight. Creating art in the art therapy process has been called a creative way to communicate feelings and thoughts, as well as a way to foster confidence in decision-making abilities (Anderson & Barnfield, 1974).

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Likewise, in the creation and manipulation of the Financial Mirror, financial therapy clients are led through an overview of all the financial decisions they have made in the past and are guided to review how they would feel about their financial selves if changes were made to their Financial Mirror. The information presented is processed in the brain in a different way when financial behaviors and beliefs are viewed in the context of a "mirror" on the wall, rather than simply numbers in a budget (Marshall, 2007). The experience of seeing your financial behavior in the context of a "mirror" creates a new understanding of the financial "self" and can have a powerful effect on clients' perceptions of themselves and how their financial behaviors are actually affecting them.

The Financial Mirror is constructed by clients. Therapists give the client a medium-sized cork board, poster board, or even just a section of wall, along with tape or pins. Clients are then asked to gather their financial documents and, in any fashion they prefer, post their financial documents in the allotted space. Some clients may organize their documents in a particular way. Others may post them with no organization. Encourage clients to post their receipts and bills any way they would like. Note that if clients attempt to hide documents they do not want to see, the therapist should keep those documents in mind. They will need to be brought forward and addressed. Once the documents have been posted, therapists ask clients questions about their Financial Mirror to help clients reflect on the financial decisions they have made, and how satisfied they are currently with their Financial Mirror. Clients are also asked questions about how making changes to their Financial Mirror would make them feel. Table 3 illustrates questions that can be asked in the process of conducting a Financial Mirror exercise with clients.

Table 3
Reflection questions for the Financial Mirror

- Reflect on what the mirror says about you financially.
- If these were the finances of someone else, what could you say about this person just by looking at their mirror?
- What is scary about what you see in the mirror?
- I noticed the ___ (receipt, bill, etc.) is hidden behind others. How would bringing it forward change your feelings about what you see in the mirror?
- What is the one thing that makes the mirror the most difficult to look at?
- What about the mirror makes you happy, or makes you feel secure?
- If you could take one (two, three, etc.) things off the mirror right now, what would they be?
- What is missing from what you see in your mirror? What do you want to be spending money on, but cannot because of other things (like debt, bills, etc.) taking up space in the mirror?
- What would your perfect financial mirror look like?

DISCUSSION

There is a critical need for therapists and treatment providers who wish to assist clients in addressing their financial difficulties. These treatment providers first must recognize the

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emotional components of financial management. Without an understanding of the emotions that influence financial behaviors, implementing and maintaining changes to financial management may be more difficult. Those who continually experience financial distress may only sustain changes in their financial lifestyle when an understanding of how feelings and emotional needs influence their decision-making processes. The application of the three interventions from this article and the Five Step model as a whole may make the difference for many clients in maintaining financial changes over the long-term because they address the emotional components attached to financial decision-making processes.

The interventions introduced in this paper can be used in an academic setting with students in both the counseling and financial advisor fields. First, the three interventions could be integrated into counseling practice classes. This will help counseling students develop an understanding of basic interventions that can be used with financially distressed clients, and will also give them the confidence needed when discussing personal issues related to finance with their clients. Alternatively, the theoretical background, intervention purpose and process of the interventions have been described in detail here in order to allow the interventions to be used by those unfamiliar with counseling techniques, so that they can also be used by financial advisors when working with clients.

Case studies testing the effectiveness of the three interventions described in this article and the complete Five Step model are currently underway (Smith et al., 2012). Future research should test the effectiveness of the Five Step model and compare it to teaching financial literacy skills, as well as other financial therapy models that have been developed. Testing the Five Step model in couple's therapy and in a group therapy format would also help improve the application of the model in multiple settings. Studies should also test the distal impact of the Five Step model in order to understand its importance in maintaining positive financial behaviors.

CONCLUSION

The interventions introduced in this paper are examples of how therapy and treatment can be tailored to help clients with financial management issues. They also provide an example of how using an integrated theoretical perspective can be used to develop effective financial therapy models. Treating financial problems may be a matter of learning budgeting skills, increasing savings, and learning investment techniques. For many individuals, however, an examination of the emotional relationship between a person and their finances may be required for optimal behavioral change. Further research may suggest that effective financial therapy models will address both the financial and emotional components that contribute to problems with financial capability. This paper provides three simple interventions that are geared toward that end.

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ISSN: 1945-7774

The Theory of Planned Behavior and the Earned Income Tax Credit

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The Earned Income Tax Credit (EITC) seeks to reduce poverty and provide the resources necessary for an individual to become self-sufficient. The EITC achieves this annually by lifting millions of households above the poverty level through income supplementation. However, recent evidence suggests that the long-term upward economic mobility provided by the EITC in practice is limited. To investigate the factors associated with achieving this financial independence, this study utilized the Theory of Planned Behavior to determine if (a) attitudes—as measured by time preference and self-esteem, (b) subjective norms—as measured by education, parents' poverty level or work status, and religiosity, and/or (c) perceived behavioral control—as measured by self-efficacy (perceived effectiveness in accomplishing tasks) were significant in moving beyond qualification standards of the EITC. Using data from the National Longitudinal Survey of Youth (NLSY79), the EITC utilization pattern of a sample of 178 individuals was investigated. Results reaffirmed the economic advantages of marriage, suggesting that, by protecting and support healthy marriages, financial therapists can actively contribute to improved financial outcomes. Results also indicated that individuals with a high degree of mastery (feeling in control) were more likely to experience economic improvement, as measured through movement above EITC qualification standards. This suggests that financial therapists should work to facilitate growth in personal mastery as a part of helping clients reach their financial goals.

Keywords: Earned Income Tax Credit (EITC); Theory of Planned Behavior; self-esteem; efficacy; financial therapy

INTRODUCTION

Sufficient savings provide protection against financial hardship and create a path toward greater economic stability (Manturuk, Dorrance, & Riley, 2012). However, saving money has proven to be a challenge for many low and moderate income American families,

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especially in an economic environment of stagnant wages, high unemployment, increased cost of living, and record foreclosure rates. With persistent unemployment and a slow growth economy in 2012, government programs such as the Earned Income Tax Credit (EITC) are an important source of family income for some Americans.

The Earned Income Tax Credit (EITC) began as part of the Tax Reduction Act of 1975 and has become the flagship of anti-poverty programs in America due to its dual purpose of rewarding work and reducing poverty. Previous research indicates that the EITC is successful in helping families meet their day-to-day needs, raising millions of families above the poverty threshold (Simpson, Tiefenthaler, & Hyde, 2010). Although incredibly successful as a current supplement, the EITC has been less successful in leading recipients to long-term financial freedom through wealth creation and savings (Beverly, Tescher, Romich, & Marzahl, 2005; Prawitz, Kalkowski, & Cohart; 2012; Smeeding, Phillips, & O'Connor, 2000). According to Simpson et al. (2010), a contributing factor to the lack of upward mobility lies in the intention of how the EITC is to be used by recipients. In a survey of 282 EITC recipients, Simpson et al. sought to identify how recipients intended to use their refund. Respondents were allowed to identify multiple intended uses, as they could use their refund in more than one way. Of the responses received, 64% of participants planned on using at least a portion of their refund for meeting basic needs, 50% of participants identified they would use a portion of their refund for debt repayment, and 27% of respondents indicated they would use a portion of their refund to purchase a durable good. Less than 3% of respondents reported saving any portion of their refund as their top priority, with only 25% of the sample listing saving as one of their top three priorities.

These reported intentions may represent rational decision making on the part of recipients, as the qualification standards will limit recipients to those needing income supplements to meet their daily needs. Further, saving may not be the optimal use for recipients because that would mean incurring increased charges on existing debt. A downfall of the EITC design is that recipients may suffer the potential loss of benefits from means-tested programs if their assets increase. Nevertheless, the EITC has the dual purpose of rewarding work and reducing poverty (i.e., increasing income) as stated above. In looking to improve outcomes related to economic mobility (increased income), the University of Wisconsin's Financial Literacy Consortium suggested that educating low income populations about financial topics is important. Efforts that are focused on behavioral change, particularly on spending and saving concepts, may be more effective for promoting long-term financial well-being (Turnham, 2010). Behavioral research suggests that people incorporate non-financial factors (such as values, emotions, early life experiences, psychological characteristics, and misconceptions) into their financial decision making. According to Maton, Maton, and Martin (2010), financial therapy has the ability to create positive changes in financial behaviors. In addition, this can give clients a sense of accomplishment and motivation to maintain those behaviors. According to the focus groups identified by Turnham (2010), people in general are motivated to save. However a participant's ability to save was affected by the lack of opportunity, lack of knowledge, lack of willpower, and their attitudes toward savings and saving institutions (Turnham, 2010). A financial therapist can assist in meeting the full needs of a client (Kinder & Galvan, 2007), especially in situations where marital conflict among couples is related to family finance.

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Given this background, the purpose of this study is to investigate the belief and behavior systems that may prevent individuals and families from using the EITC as a way toward upward mobility. Using the National Longitudinal Survey of Youth 1979 cohort data (NLSY79), this study applies the Theory of Planned Behavior (TPB) to examine the attitudinal, social, and perceived control indicators of reduced usage of the EITC. The low and moderate income (LMI) households are of particular interest to researchers and policymakers because even minor unexpected expenses can lead to damaging financial outcomes (Manturuk et al., 2012). While the EITC is certainly valuable as a current income supplement, this study will examine the future prospects of the EITC recipient and the ability of the program to pull individuals into financial freedom. As Manturuk et al. noted, "understanding the financial decisions, attitudes and behaviors of the LMI consumers can help create more effective programs and policies aimed at building financial security as well as improving potential financial education opportunities" (Manturuk et al., 2012, p. 4). It should be noted that movement above EITC qualification standards is a somewhat arbitrary threshold, although directly driven by policy. It is quite possible that an individual has improved their financial situations considerably, but not enough to exceed the qualification limits. Additionally, when evaluated from the perspective of its main focus of raising families about the income-based poverty threshold in a given year, the EITC has been impactful. Therefore, this study should not be seen as an overall critique of the EITC program or a commentary on its overall effectiveness, but rather a targeted investigation of how the Theory of Planned Behavior informs the likelihood an individual receiving the EITC will experience upward mobility.

THEORETICAL FRAMEWORK AND RELATED LITERATURE

Historical Overview of EITC

In the late 1960s, former President Richard Nixon introduced the Family Assistance Plan (FAP) that emphasized work above all else. Even though the FAP failed to be passed into law, its structure and delivery mechanism were incorporated into the EITC creating a "welfare benefit" which was un-stigmatized as a payment for work. The working poor, under Nixon's FAP, would receive benefits that contained similar subjective societal norms as "welfare," whereas the EITC was viewed as an income supplement to a deserving segment of the population, particularly the working single mom (Hotz & Scholz, 2003; Steensland, 2006). In the early 1970s, Congress viewed the EITC as an alternative to conventional welfare (Ventry Jr., 2000). By 1977, under then President Jimmy Carter, officials recognized the significant anti-poverty and anti-welfare potential of EITC. In 1978, the EITC became part of the Internal Revenue Code and has received some minor enhancements throughout its existence (Internal Revenue Service, 2012). Throughout its history, the EITC embodied the vision that it would move individuals into paid employment (Ventry Jr., 2000). According to Congress, its original tenets were to provide an incentive for low income people to work, thereby reducing welfare dependency and inducing individuals with families to support themselves (U.S. Congress, 1975).

Eligibility requirements for single and married filers remained identical until 2001, when married couples became eligible for larger benefits than single filers. In 2009, as part

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of the American Recovery and Reinvestment Act, the program was expanded to provide additional benefit for filers with three or more qualifying children and eligibility for married couples was increased (Athreya, Reilly, & Simpson, 2010). In 2010, an estimated 5.4 million people, roughly half of them children, were lifted out of poverty by the EITC program (U.S. Census Bureau, 2011). For tax year 2012, the maximum EITC credit was $5,891 for filers with three or more qualifying children, $5,236 for filers with two qualifying children, $3,169 for filers with one qualifying child, and $475 for filers with no qualifying children. Currently, income eligibility standards are set so that individuals or families, adjusted for household size, with income below 175% of the federal poverty threshold are eligible for the EITC (Lim, DeJohn, & Murray, 2012). Regardless of the number of children in the household, the EITC requires the tax filer to have earned income throughout the year providing a work incentive (Hotz & Scholtz, 2003). However, due to the complicated structure of household size and income structure, Hotz and Scholtz noted that "the overall effect of the EITC on hours of work is ambiguous" (p. 160). The objective of this study is to use the Theory of Planned Behavior to determine what factors are associated with people successfully transitioning off of EITC qualification status (i.e., improving their economic situation).

Theory of Planned Behavior

Individuals in many cases have the intention to change their behavior, but often fall short of their goals. The Theory of Planned Behavior (TPB) (see Ajzen, 1991) is frequently used to explain such patterns and better understand how individuals make behavioral decisions (Xiao, 2008). Ajzen indicated that the precedent of any behavior is the formation of an intention towards that behavior. Intentions are based on a "person's attitude toward the behavior, the subjective norm, and the relative importance between the attitude and the subjective norm" (Xiao, 2008, p. 73). Attitudes are described as whether individuals believe engaging in a certain behavior is good or bad, whereas subjective norms are characterized by how individuals perceive whether society believes engaging in a certain behavior is good or bad. Perceived control is defined as whether individuals believe they are capable of changing their behavior. If attitudes and subjective norms indicate individuals should change their behavior, intention will be high and behavior change is likely to occur. However, the amount of perceived control can negate those beliefs, thereby reducing intentions and the likelihood of behavior change. See Figure 1 for a visual aid of the Theory of Planned Behavior.

Attitudes. TPB suggests that attitude is an important component that informs the intention to engage in a behavior. Attitude towards behavior is based on an evaluation of an individual's positive or negative feelings about executing the behavior. The more favorable the attitude towards the performance of the behavior is, the higher the intention will be to carry it out (Ajzen, 1991). Time preference is the extent to which individuals would be willing to delay immediate gratification from consumption (Manturuk et al., 2012). Although it can be measured in different ways it is generally assumed that time preference is invariant with different goods or services in different points of time (Manturuk et al., 2012). An individual's time preference has been linked to saving behavior and can be expressed as an attitude because the perception of time is strongly linked to our subjective well-being and varies considerably depending on emotional state (Wittman & Paulus, 2007). According to Manturuk and associates (2012), matched savings programs can significantly influence the

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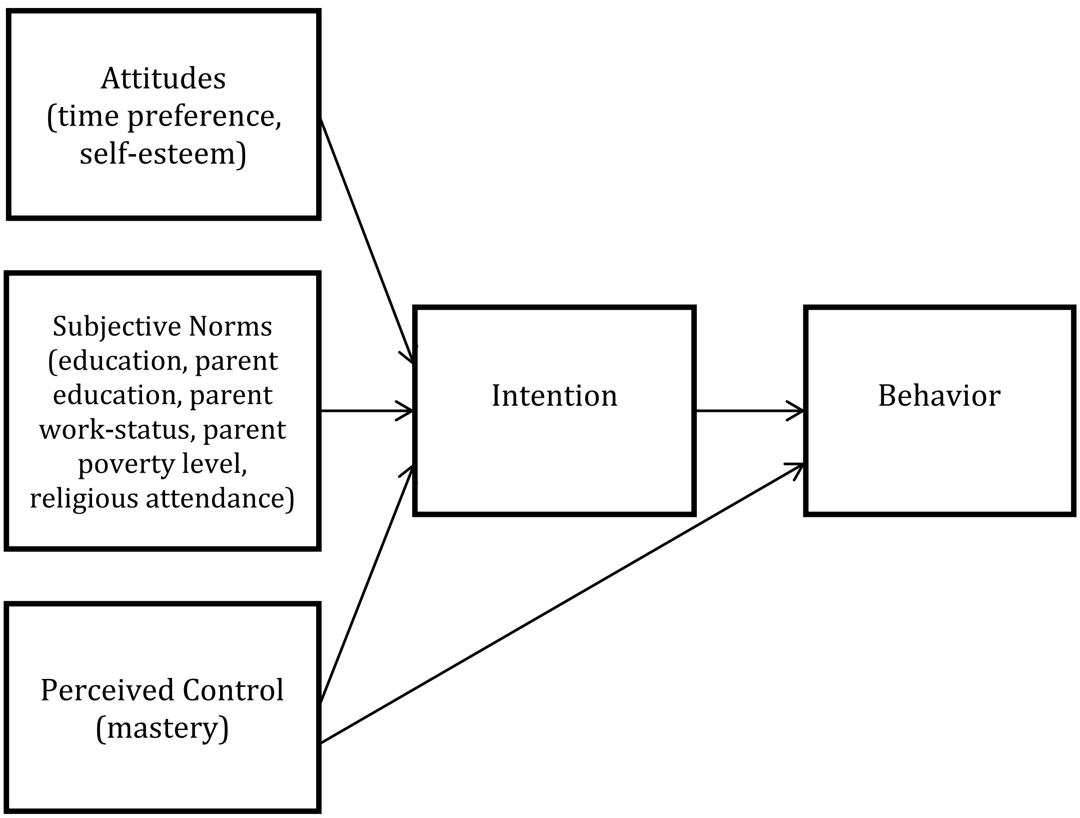
propensity to save in low-income households by helping a long-term goal appear more quickly attainable. The impact of time preference on saving in matched savings programs such as IDA (Individual Development Accounts), was indicated by participants with lower discount rates saving more in the first year and were more likely to complete the program than those with a higher discount rate (Manturuk et al., 2012). Hershey and Mowen (2000) found that a strong future orientation positively impacted financial planning and retirement preparedness. These are both considerable aspects of improving one's financial status or an indication of financial self-sufficiency.

Figure 1. Theory of Planned Behavior



An EITC recipient's self-esteem is often affected by the emotional "costs" of receiving a government benefit. In a study using Survey of Income and Program Participation (SIPP) data, Manchester and Mumford (2010) identified the "welfare stigma" as having two components regarding receipt of government benefits: (a) the recipient's personal feelings (internal) and (b) societal or subjective norms (external). According to Manchester and Mumford, one effect of receiving public assistance is the "internal" or self-inflicted stigma usually represented by decreased self-esteem and self-efficacy due to the recipient's knowledge of their reliance on government assistance, even if others around them are unaware. Similar findings have been reported by Greene (2012) in a qualitative research survey of 194 EITC-eligible recipients. Greene (2012) found that respondents experienced a

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lack of independence when receiving welfare, in contrast to positive self-esteem when being employed and receiving the EITC payment.

Perceived Control. Ajzen (1991) defined perceived behavioral control as the ease or difficulty in performing a behavior taking into account past experiences and future obstacles that need to be overcome to perform the behavior. Belief in the ability to perform the behavior increases the likelihood that the behavior will be executed. Additionally, a belief in the ability to perform a behavior increases the likelihood that someone will exert the effort and persevere to execute a particular behavior (Ajzen, 2002; Bandura & Locke, 2003). Self-mastery is a common measure of the perceived control an individual has over their life as measured by Pearlin and Schooler's (1978) Personal Mastery Scale.

Summary

Family economic conditions in early childhood have the greatest impact on achievement especially in low income families (Duncan et al., 1998). It is expected that individuals who grew up in poverty will have a greater likelihood to continue qualifying for the EITC. It is also expected that individuals with future-oriented time preference will take the necessary steps to reduce their usage of the EITC, since they have higher attitude-intention consistency and a stronger attitude toward saving (Rabinovich, Morton, & Postmes, 2010). Individuals with higher self-esteem are associated with an increased likelihood of improved net worth (Chatterjee, Finke, & Harness, 2009), so it is expected that those with higher self-esteem would be more likely to transition off the EITC by no longer meeting the qualifications through increased income/assets. Finally, it is expected that individuals who demonstrate higher perceptions of control in life events, will be more likely to move beyond EITC qualification standards (Perry & Morris, 2005).

METHODS

Data

Data for this study was taken from the National Longitudinal Survey of Youth, 1979 cohort (NLSY79). The NLSY79 is a nationally representative sample of 12,686 young men and women who were interviewed on an annual basis from 1979 through 1994 and are currently interviewed on a biennial basis. The longitudinal nature of this survey allows for the information to be combined from both a respondent's childhood and more recent time periods.

Dependent Variable

In investigating the EITC, care must be taken to mitigate the effect of legislation and changes in EITC qualification standards when attempting to observe and compare individual's behavior over time. Of particular note are significant changes in the EITC qualification standards, which came into effect in 2003 (see Athreya et al., 2010). Therefore, the data that was utilized was related to receipt of the EITC in 2003 and 2007 in order to mitigate the impact of program changes on observed behavior.

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Respondents must first have reported earned income and filed a tax return in 2003 and 2007 to be included in the sample. Furthermore, since the present study seeks to investigate an individual's ability to better their financial situation, as measured by moving past EITC qualification standards, the population and sample was limited to respondents who reported receiving the EITC in 2003. Next, respondents must have reported a dependent child in both 2003 and 2007 to help maintain consistent EITC qualification standards. The income qualification from no children to one child is quite significant (maximum earned income of $11,490 with no children in 2003 versus maximum earned income of $31,338 for one child), but not as large when moving from one child to two children (maximum earned income of $35,458 for more than one child in 2003). A final sample size of 178 was found to meet these eligibility requirements. Those who qualified in 2003, but not in 2007 were coded as 1 representing a positive event of loss of EITC qualification (i.e., they had an income improvement). Those who qualified in 2003 and 2007 were coded as 0 representing sustained use of EITC (i.e., no significant income improvement). While this final sample was reduced significantly from the original sample size, our population of interest is reflective of this small percentage.

The flow chart in Figure 2 illustrates the construction of the dependent variable. It should be noted that it is quite possible that an individual has improved their financial situations considerably, but not enough to exceed the qualification limits. The current study does not have the ability to recognize this success, and is driven by movement above the policy driven threshold of EITC qualification.

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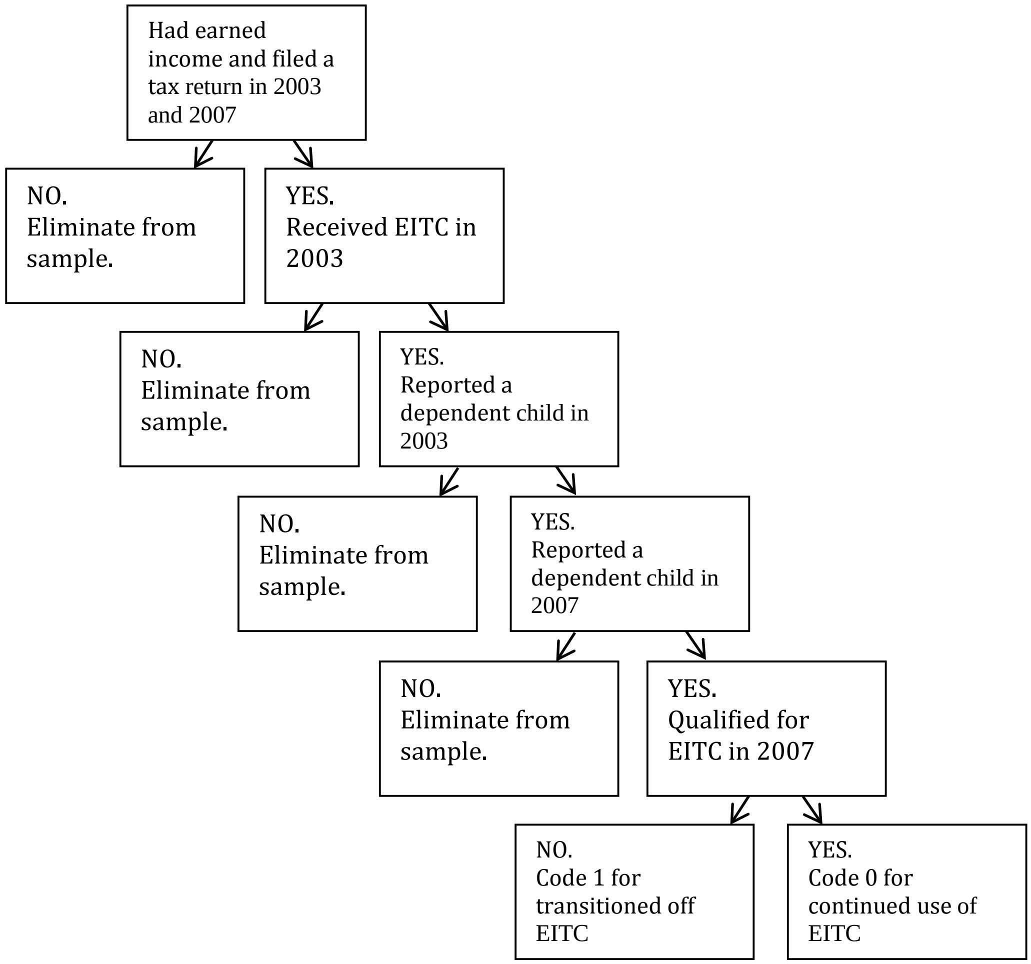
Figure 2. Construction of dependent variable



Independent Variables

The independent variables were designed to proxy the theoretical concepts of attitudes, subjective norms, and perceived control according to the Theory of Planned Behavior (Ajzen, 1991). There were limitations present due to the constraint of available data contained within the survey, but the following variables were identified to best proxy these concepts.

Attitudes. Conceptually, attitude is a measure of an individual's positive or negative feelings related to a behavior, with more favorable views associated with an increased likelihood of exhibiting a given behavior (Ajzen, 1991). Ideally, these measures are specific to the behavior investigated, but information related to attitudes towards the EITC was not directly gathered in the NLSY79. Therefore, two variables were identified in the literature review as attitudes associated with the likelihood of an individual's financial self-improvement to serve as proxies: time preference and self-esteem. Specifically, individuals with future-oriented time preference demonstrate higher attitude-intention consistency (Rabinovich et al., 2010) and individuals with higher self-esteem have an increased

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likelihood of financial improvement as measured by higher net worth (Chatterjee et al., 2009).

Time preference was measured utilizing a series of questions that investigated the premium, in terms of additional dollars a respondent would need to be willing to wait a year to receive a $1,000 payment. Respondents were asked to indicate a dollar amount to the following question:

> Suppose you have won a prize of $1,000, which you can claim immediately. However, you can choose to wait one year to claim the prize. If you do wait, you will receive more than $1,000. What is the smallest amount of money in addition to the $1,000 you would have to receive one year from now to convince you to wait rather than claim the prize now?

This premium was converted into an annual percentage return by dividing it by 1,000, with lower percentages associated with longer time preferences.

Self-esteem was measured using Rosenberg's self-esteem scale (Rosenberg, 1965). Respondents were asked to indicate how strongly they agreed with a list of 10 statements, such as (a) I feel that I'm a person of worth, (b) I am inclined to feel like a failure (reverse coded), and (c) I am satisfied with myself. Scores can range from 0 to 30. The reliability of the items as a scale was good with a Cronbach's alpha of .89. For purposes of this study, we were interested in respondents with very high self-esteem (which has been cited as a score of greater than 25; Norton, n.d.) compared to all other respondents.

Subjective Norms. Subjective norms are a measure of the social pressures associated with the performance of a behavior, indicating that individuals tend to do what those around them are doing (Ajzen, 1991). Our review of literature indicated that parental influences and an individual's financial situation in childhood were quite strong in influencing an individual's behavior through establishing subjective norms. Consequently, measures of the norms generated in an individual's childhood (parental educational level, work status, and poverty status) were used to proxy subjective norms towards financial self-sufficiency. Information related to individuals' childhood environment was found in the original 1979 survey of the NLSY79. Given concerns related to missing data, information from both sets of parents was synthesized to provide single measures of the highest educational attainment level (in years) and work status (parent worked full time). Lastly, an individual's poverty status in 1979 was included to proxy an individual's family financial environment, and hypothetical EITC qualification, as a child. Family economic conditions in early childhood have the greatest impact on achievement, especially in low income families (Duncan et al., 1998). It is expected that the combination of these measures will be representative of the norms established during a respondent's youth.

It should be noted that many of the factors often associated with socio-economic status that would serve as a proxy for subjective norms are inherently controlled for in the qualification standards of EITC, such as income and family status. Consequently, these measures could not be included, but an individual's educational attainment level was

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employed to serve as a proxy for an individual's socio-economic status. Lastly, a measure of an individual's religiosity was included, as our literature review indicated that religious beliefs play a large role in shaping an individual's perception of behaviors.

Perceived Behavioral Control. The Pearlin Mastery Scale was utilized to proxy perceived behavioral control (Pearlin, Lieberman, Menaghan, & Mullan, 1981). The specific items include the following: (a) there is really no way I can solve some of my problems (reverse coded), (b) I am being pushed around in my life (reverse coded), (c) I have little control over the things that happen to me (reverse coded), (d) I can do anything I set my mind to, (e), I am helpless in dealing with the problems of life (reverse coded), (f) What happens to me in the future depends on me, and (g) There is little that I can do to change the important things in my life (reverse coded). The responses options were (a) strongly disagree, (b) disagree, (c) agree, and (d) strongly agree with scores ranging from 7 to 28. It is expected that individuals who demonstrate higher perceptions of control in life events, as evidenced by higher Pearlin Mastery Scale scores, will be more likely to achieve financial self-sufficiency (Perry & Morris, 2005). The scale was reliable with this sample with a Cronbach's alpha of .82.

Control Variables

Several control variables were added to isolate the potential effects of differing qualification standards based on changes in a households composition between 2003 and 2007. Specifically, income caps for the EITC vary based on a households filing status (either head of household of married filing jointly) and the number of dependents (up to 3). Therefore, measures of changes in marital status and number of dependents were included. Lastly, respondents' gender was included as a control variable.

Statistical Analysis

Logistic regression analysis was used to identify the factors associated with an increased likelihood of financial self-sufficiency, as measured by moving beyond the qualification of the EITC. This model allows for investigation in accordance with the framework laid out by TPB.

RESULTS

Descriptive Results

The sample was slightly biased toward females (64%), but fairly evenly split between those who were married throughout the testing time frame (47%) and single throughout the time frame (44%). Slightly less than 4% of the sample was married in time 1 (2003), but single in time 2, and 5% was single in time 1, but married in time 2 (2007). Slightly over half of the sample (52%) did not have changes to their number of dependents, while 13% had more dependents in time 2 and 35% had fewer dependents in time 2.

Approximately 38% of the sample was able to eliminate usage of the Earned Income Tax Credit (EITC) between 2003 and 2007. There was not a strong time preference division

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among the sample. One quarter of the sample expressed a very high level of self-esteem. Respondents had, on average, 12 years of formal education, while their parents had, on average, one year less of education. When respondents were living in the household, at least one parent was working full-time for 72% of the sample. Twenty-six percent of the sample grew up in a poverty status, according to state standards. Almost half, over 46% of the sample attends religious groups more than weekly (24%) or weekly (22%). Another quarter of the sample attends religious groups on a monthly basis (26%), almost 19% attend a few times a year, and 10% never attend religious groups. Respondents were slightly more oriented toward higher personal mastery (M = 21.35, Range = 10 to 28). See Table 1 for full descriptive results.

Regression Results

The results indicate that the Theory of Planned Behavior is only marginally useful in predicted reduced usage of the Earned Income Tax Credit (EITC) or improved financial status as shown in Table 2. Perceived control, as measured by mastery, was marginally significant with a p-value of .066 (B = 0.10, e^B = 1.11), although this may be a result of the small sample size. As respondents felt more control and confidence in their behavior, the more likely they were to improve their financial situation holding all else equal. The proxies used for attitudes and subjective norms were not statistically significant in predicting eliminated use of the EITC.

Males were more likely to reduce their use of the EITC (B = 0.80, $p < .05$, e^B = 2.22) as were respondents who were married in both time frames (B = 1.11, $p < .01$, e^B = 3.04) and respondents who were single in time 1, but married in time 2 (B = 1.97, $p < .05$, e^B = 7.15). In terms of contribution to the model (as measured by standardized beta), getting married and staying married are most influential in determining if respondents will eliminate their usage of the EITC, followed by being male and having higher personal mastery scores.

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Table 1
Characteristics as a percentage or mean (standard deviation) of the sample

Characteristic	Full Sample (*n* = 176)	Remained on EITC (*n* = 110)	Lost EITC eligibility (*n* = 66)
Attitudes			
Time preference	0.5 (0.2)	0.5 (0.3)	0.5 (0.2)
Have high self-esteem	25.3	23.4	28.4
Subjective Norms			
Years of education	12.0 (2.3)	11.86 (2.03)	12.3 (2.6)
Parental years of education	10.5 (3.6)	10.34(3.48)	10.8 (3.7)
Parent(s) worked full-time	72.5	71.17	74.6
Grew up in poverty	25.8	29.73	19.4
Attend religious group > weekly	24.2	26.13	20.9
Attend religious group weekly	21.9	20.72	23.9
Attend religious group monthly	25.8	25.13	25.4
Attend religious group few times/yr	18.5	18.92	17.9
Never attend religious group	9.6	8.11	11.9
Perceived Control			
Mastery	21.6 (3.3)	21.0 (3.4)	22.0 (3.0)
Control Variables			
Male	36.0	27.9	49.3
Married throughout	46.6	37.8	61.2
Single throughout	44.4	55.0	26.9
Was married; now single	3.9	4.5	3.0
Was single; now married	5.1	2.7	9.0
Same number of dependents in 2008	51.7	48.7	56.7
More dependents in 2008	12.9	13.5	11.9
Fewer dependents in 2008	35.4	37.8	31.3

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Table 2
Summary of logistic regression analysis for variables predicting loss of eligibility for EITC in 2008 (n = 178)

	Mother		
Predictor	*B*	*SE B*	e^B
Attitudes			
Time preference	-.77	-.10	.46
Have high self-esteem	-.27	-.07	.76
Subjective Norms			
Years of education	.09	.11	1.09
Parental years of education	.02	.03	1.02
Parent(s) worked full-time	.08	.02	1.08
Grew up in poverty	-0.49	-.12	.61
Religious attendance	0.02	.02	1.02
Perceived Control			
Mastery	.10†	.19	1.11
Control Variables			
Male	.80*	.21	2.22
Married throughout	1.11**	.31	3.04
Was married; now single	.45	.05	1.58
Was single; now married	1.97*	.24	7.15
More dependents in 2008	-.31	-.06	.73
Fewer dependents in 2008	-.34	-.06	.78
Constant	-1.05		
χ^2		29.52	
df		14	
% concordant		73.9	

Note: e^B *= exponentiated B.*
*†p < .10. *p < .05. **p < .01. ***p < .001.*

DISCUSSION

According to the Theory of Planned Behavior, the more individuals believe they possess the requisite resources to perform a behavior, the greater their perceived control over the behavior (Madden, Ellen, & Ajzen, 1992). If there is a low perceived control over the target behavior (financial self-sufficiency), then the intention to perform the behavior will be low even if individuals have favorable attitudes and subjective norms concerning the execution of the behavior. According to Bandura, Adams, Hardy, and Howells (1980), behavior is strongly influenced by confidence in individuals' ability to perform the behavior. While some evidence was generated, suggesting that individuals with low feelings of mastery were less likely to move above EITC qualification standards in accordance with theory, this relationship was only marginally significant with a p-value of .066. This lack of significance may be driven by a relatively small sample size, as well as the use of a more general measure of perceived behavior control as applied to a specific behavior. However, given the relatively small sample size, it may be appropriate to apply a 90% confidence level standard.

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Additionally, given the directional hypothesis related to this test, it may be appropriate to employ a one-tailed t-test, which would provide a statistically significant p-value of .033.

No significant relationship was found between the transition beyond EITC qualification standards and any of the measures of attitude and subjective norms. No relationship was found between religiosity and ETIC qualification, but this might have been due to how religiosity was measured. While religiosity would be best measured as a magnitude of belief, the data available only provided for an indirect measure of belief through the number of religious groups attended. It was also expected that time preference would be significant predictor of financial self-sufficiency with a more future-oriented preference resulting in actions to avoid continued use of the EITC. The measure of how long one would be willing to wait to receive money may not be an optimal proxy for attitude towards EITC qualification. Lastly, those with higher levels of education were expected to be more likely to be able to transition beyond EITC qualification standards. However, no relationship was found between education attainment and movement beyond EITC standards. It should be noted that this could be due to the limited variation in education level of the sample.

A couple of additional factors were found to be associated with transitioning off the EITC including (a) getting married or staying married and (b) being male. Given the role that financial therapists often play in their clients' lives, it is interesting to note that marital status and gender are the best indicators of who is likely to transition off of the EITC.

Limitations and Future Directions

Ideally, measures of an individual's attitudes, subjective norms, and perceived behavior control as they specifically relate to EITC utilization would have been utilized. Given the data available, more general measures were utilized, which may have led to poor model performance. Furthermore, although movement above EITC qualification is a policy important shift, it is a somewhat arbitrary threshold upon which to measure success. It is quite possible that an individual improved their financial situations considerably, but that this improvement may not have yet brought them above the EITC qualification standards. Additionally, although the sample size was adequate to conduct the analyses presented, it was smaller than what would be optimally desired. A future investigation using a larger sample may allow the TPB to perform better in investigating EITC recipients' behavior.

Given these limitations, future research could employ a mixed-methods approach using qualitative research to gather more direct measures of these variables. This would provide for a more direct test of the Theory of Planned Behavior and provide the opportunity to include an evaluation of qualitative information.

Implications

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A high degree of mastery (feeling in control) was found to be influential in transitioning off of EITC usage, in alignment previous findings which demonstrate that higher perception of control over life events will more likely result in increased financial achievement (Perry & Morris, 2005). Giving clients the opportunity to demonstrate that they can be successful with their personal finances will help build mastery. This may be accomplished through The Ford Financial Empowerment Model (FFEM), which integrates financial education and skill building with relational therapies that can be used with individuals with financial empowerment issues (Ford, Baptist, & Archuleta, 2011). When individuals feel confident, motivated, and competent in dealing with their financial life, they become empowered and are more likely to take initiatives, feel accomplished, and successful (Ford et al., 2011). Another potential alternative is Collaborative Relational Financial Therapy (CRFT). Especially designed for low-income populations, CRFT is a five-step intervention model, involving a financial planner and family therapist who work together to address relational and financial issues (Seay, Goetz, & Gale, 2015). This process was well received initially by the male participants because the term financial therapy was less stigmatizing than therapy. This is an example that illustrates the transition from financial planning to financial therapy where the client's emotional and cognitive thoughts around money were addressed as in integral part of the financial planning process.

Evidence was also generated to suggest that marital status and gender are very important in the ability to achieve economic improvement, as measured by movement beyond EITC qualification standards. Respondents who were married consistently throughout the time period, or who got married, were more likely to transition off of the EITC. This may imply that a marital relationship is an important influencer of financial self-sufficiency and emphasizes the need for further research that focuses on the links between a marital union and financial management skills. Overall, this result clearly supports the principles of financial therapy and highlights the financial advantages of facilitating and supporting heathy marriages. Furthermore, given the limited success noted by single householders transitioning towards financial self-sufficiency, policymakers might consider future EITC program regulations that would provide increased incentives for single tax filers who qualify for the EITC.

CONCLUSION

Clients have a need for integrated services that incorporate mental health and financial issues (Archuleta et al., 2012). In a study by Aniol and Snyder (1997), one-third of couples seeking marital therapy identified financial difficulties as a problem in their relationship and one-third of couples seeking financial counseling were facing relationship issues. Finances can be the cause of disagreements in couples (Kim, Gale, Goetz, & Bermudez, 2011) and disagreements about money were more intense, more frequent, and longer lasting than arguments about other topics (Papp, Cummings, & Goeke-Morey, 2009). Additionally, Britt, Huston, and Durband (2010) found that communication deficiencies among couples were a greater predictor of money arguments than the level of available resources. This is especially important because people have difficulty communicating about money. People often marry without knowing about their spouse's debt or how much their partner is

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spending (Trachtman, 2015). Communication deficiencies among couples can be corrected by providing couples the proper skills and tools necessary to address their issues. This is especially relevant since being married and staying married depends on good communication skills and being married and staying married increases the likelihood that couples will successfully transition to financial self-sufficiency.

Aniol and Snyder (1997) suggested that financial counselors and marital therapists should possess basic understanding of both disciplines so that they can effectively help clients who present relational and financial issues. In addition, the role of the financial professional is changing. Dubofsky and Sussman (2009) found that 89% of financial planners participating in their study had engaged in coaching or counseling on non-financial topics. Kinder and Galvan (2007) emphasized the importance of being trained to deal with clients' emotional relationship with money to better help clients feel comfortable about sharing financial information. This is especially important because people still find that money is a forbidden topic that should be kept private. Financial therapists would be uniquely qualified to help clients open up about money, talk about their experiences with it, and identify any problematic issues that might be keeping them from dealing with money successfully (Archuleta et al., 2012).

Overall, this study provided a theoretically-based investigation of individuals' behavior related to the EITC, the largest tax credit available to assist low-income families in need. While results were limited, they serve to reinforce the need for financial therapists. Furthermore, evidence was generated to suggest that financial therapists can actively improve their client's financial outcomes, as related to the EITC, through working to build clients' personal mastery and sense of control.

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ISSN: 1945-7774

Researcher Profile

An Interview with
Axton Betz-Hamilton, Ph.D.

Dr. Axton Betz-Hamilton teaches consumer studies courses at Eastern Illinois University, including Personal and Family Finance, Housing, and Consumer Issues. She conducts research on identity theft as well as financial abuse within families.

Q. Define what you do professionally.

A. I teach consumer studies courses at Eastern Illinois University, including Personal and Family Finance, Housing, and Consumer Issues. Also, I conduct research on identity theft, as well as financial abuse within families.

Q. What activities encompass your professional responsibilities?

A. I typically teach 3 to 4 courses a semester, advise independent study and student research projects, as well as conduct research and engage in both on- and off-campus professional service activities.

Q. How long have you been engaged in your professional activity?

A. I have been in my current position at Eastern Illinois University since 2011.

Q. What led you to your professional calling?

A. After discovering I was a victim of identity theft in 2001, I was frustrated by the lack of understanding of the crime by agencies and by the general public. As well, I was frustrated by the lack of information and other resources for victims. By choosing a career that

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encompasses researching identity theft and financial abuse within families and educating college students and community members, I hope to alleviate these frustrations for others.

Q. What needs to happen so that 10 years from now we can say that financial therapy is a respected field of study?

A. One pressing issue for the field of financial therapy is to develop a professional code of ethics; another is to develop standards for education and continuing education for those who wish to practice financial therapy. In order for this field to be respected 10 years from now, we need to develop rigorous ethical and educational standards so consumers of financial therapy can fully trust the information and interventions they are provided.

Q. What benefits can the Financial Therapy Association provide to others doing work that is similar to your professional activities?

A. In order to conduct effective, applied research in the areas of identity theft and financial abuse within families, I draw upon previously published literature in the fields of consumer studies and psychology. As financial therapy draws upon both of these areas, the Financial Therapy Association provides access to published resources and potential collaborators that illuminate the intersections between consumer studies and psychology.

Q. If others are interested in finding out more about you personally and professionally, where can they obtain this information?

A. My contact information is as follows:

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Practitioner Profile

An Interview with
Andrea Vining, B.A.

Andrea Vining is a Financial Advisor at Morgan Stanley in Pasadena, California who was named to the Firm's Pacesetter's Club in 2015, a global recognition program for Financial Advisors who, within their first five years, demonstrate the highest professional standards and first class client service. She holds a Bachelor of Arts degree in Literature from the University of California at Santa Cruz and her interest in the arts is personal and life-long. She studied Jewelry Design & Fabrication at the Gemological Institute of America in Carlsbad, CA and is also a certified bench jeweler. She and her colleagues are passionate about leveraging their network to help others achieve their financial, philanthropic, and life goals.

Q. Define what you do professionally.

A. Being able to educate individual clients, and reduce the often intimidating world of wealth management and investments strategies is a pleasure. I believe all my clients should have a clear understanding of what their portfolio contains, in plain English, so we can comfortably meet their retirement, college, or other goals. I also assist clients in financial transition, be it divorce, inheritance, or separation from a company.

Q. What activities encompass your professional responsibilities?

A. Retirees, women, same sex couples, and attorneys are various groups for whom I have helped create custom-designed wealth and planning solutions.

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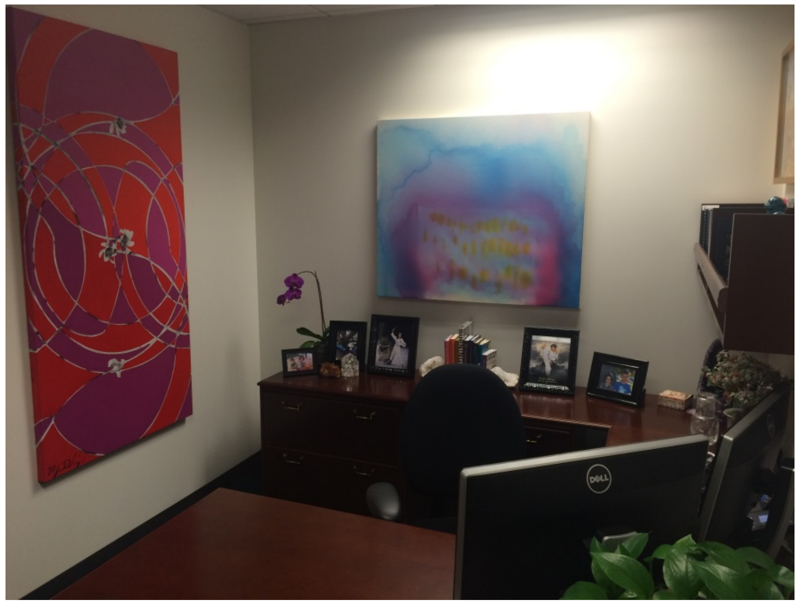
Liability management, in which my clients do not have to liquidate their portfolios to pay off their debts, is another area of focus. Estate planning strategy discussions also open up the conversation to include life insurance (CA Insurance Lic.# 0G15937), loans, title issues, retirement plan beneficiary designations, and more.

On the retirement side, our team can help design a 401(k) plan or Defined Benefit plan. I enjoy working in a collaborative style with our clients' CPAs, attorneys, and other trusted advisors.



Q. How long have you been engaged in your professional activity?

A. I have been involved in the Financial Services industry for over 20 years.

Q. What led you to your professional calling?

A. My mother was my inspiration, having been one of the first women traders admitted to the floor of the Pacific Coast Stock Exchange.

Q. How are you compensated?

A. I am paid primarily on a fee-based schedule, though I can be paid by transaction as well.

Q. Do you work alone or do you have a team? Please explain.

A. I have a team. We are called The Rose City Group at Morgan Stanley.

Q. What theoretical framework guides your work when dealing with clients and/or conducting research?

A. Every client is unique and will bring with them their own set of values and feelings as they relate to money and investing. It is very important to listen and take the time to understand each client's distinct experience.

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Q. What needs to happen so that 10 years from now we can say that financial therapy is a respected field of study?

A. Understanding and respecting the role emotional factors have when making financial decisions.

Q. What benefits can the Financial Therapy Association provide to others doing work that is similar to your professional activities?

A. I believe further education for financial advisors on how therapeutic skills can be integrated into client meetings, and thus improve the overall wealth management experience, would be beneficial.

Q. If others are interested in finding out more about you personally and professionally, where can they obtain this information?

A. http://www.morganstanleyfa.com/andrea.vining/

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Book Review

CFP Board Financial Planning Competency Handbook

Jorge Ruiz-Menjivar, M.S.
University of Georgia

Certified Financial Planner Board of Standards, Inc. (2013). *CFP Board Financial Planning Competency Handbook*. Wiley Publishing, 768 pp., $125.00. ISBN: 978-1118470121

Over the last decade, the field of personal financial planning has evolved significantly in terms of professional and academic objectives, education, and professional practices. The steady growth in size of financial planning academic programs across the nation, the adoption of a revised stringent professional code of ethics and standard of professional conduct, and internationalization of the certification and membership affiliation are just a few examples of such developments and advancements within the profession.

In 2013, the Certified Financial Planning Board released the *CFP Board Financial Planning Competency Handbook*. This seminal work—written by 22 academic and professional contributors and edited by Charles R. Chaffin—delineates the integration of theory and practice in the area of financial planning and provides a comprehensive body of knowledge, actions, and contexts in financial planning. The book covers diverse topics from the main domain in the profession (i.e., fundamentals, investing, retirement, taxation, insurance, and estate planning) to the general financial planning framework, education planning, professional conduct standards, and other practical implications for the field.

This inclusive handbook is divided into two main parts. The first part summarizes and reviews the theoretical framework and content upon which the profession of financial planning is based. The second segment of the handbook illustrates daily-life tasks performed in the actual practice of financial planning.

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The first portion of this book is an overview of theory and practice in financial planning. Subsequent chapters (chapter 2-77) present relevant topics that financial planners and those interested in the profession should know. Topics from each of the following domains in financial planning are covered, and to cite some examples: financial statements, economic concepts, consumer protection law, types of investment risk, income tax law fundamentals, and retirement needs analysis. An interesting feature included within the chapters of the first part of the book is a connection diagram illustrating the connection between the topic presented and the main areas in financial planning (i.e., fundamentals, investing, retirement, taxation, insurance, and estate planning). In addition, vignettes are offered at the end of these chapters and these scenarios might serve as a practice exercise reinforcing the application of the topic reviewed in each chapter.

The second section of the book (chapter 78 to 84) discusses issues relevant to the process that financial planners actually execute in practice. These chapters offer an overview of the financial planning actions followed in practice and the basis for such actions. Practical issues of the steps from the general financial planning process (e.g., establishing and defining the client-planner relationship, gathering data, communication of financial planning recommendations, etc.) are presented. Finally, at the end of each chapter, hypothetical situations within the context of the main domains in financial planning are provided in order to illustrate some of the practical issues discussed in the chapters.

In summation, this book is a potentially helpful resource not only for financial planners, but also for financial professionals in general (financial therapists, counselor, couches, advisor, etc.), as well as for researchers and professionals in other disciplines (marriage and family therapists, social workers, psychologists, etc.) who are interested in the field of financial planning. The handbook may be used as a reference for exploration about the main theoretical and topical content and practical issues in the field of financial planning, as well as the integration of both, theory and practice.

ISSN: 1945-7774