

## **Session Title: FinPsych: Psychologists Working at the Crossroads of Finance and Psychology**

### **Description:**

At all socioeconomic levels, money is consistently ranked in the top stresses encountered by individuals, couples, and families. Many factors co-create money issues, including personal history, family dynamics, societal attitudes, economic cycles and lack of basic financial knowledge. Financial scarcity is a well-known stressor for populations struggling with poverty, yet other SES levels have significant financial pressures as well. Money stress is a prominent factor leading to marital and intergenerational conflict within middle-class and wealthy families. Recognizing these factors, corporations have begun offering financial wellness programs and financial firms are seeking input on helping their clients holistically.

This session spotlights the work of four highly experienced psychologists engaged in clinical and/or consulting services that represent a wide spectrum within financial psychology. The chairperson is president-elect of the Society of Consulting Psychology, and an organizational consultant serving clients in financial services and other industries. She developed a new Special Interest Group for Financial Psychology within Division 13 (Consulting Psychology). Attendees will hear about the opportunities in this emerging field of practice so they might explore how to develop knowledge, skills, and experience to allow them to better serve their clients in need of financial psychological services or consultation. The presenters include a clinician incorporating financial therapy into her private practice, a psychologist offering consulting, training, and collaboration for financial professionals, and a senior psychologist who provides consultation services in financial firms. The Discussion Moderator is a psychologist/MBA and consultant with early career experience on Wall Street.

### **The presentations are:**

#### **1. & 2. Magnificent Journey: The Emergence of Financial Psychology and Its Exciting Future**

Drs. Grubman and Gresham will converse about the field of Financial Psychology. Drawing on his own experiences over more than forty years in psychology, Dr. Grubman will speak about how financial psychology has blossomed since the late 1980s into the field it is now becoming. He will draw parallels to the birth of health psychology and primary care integration, a movement he participated in during the 1980s and 90s. He will then discuss how this work served as a roadmap for his second career in fostering psychology within financial services since the dot-com era. He has provided "FinPsych" services to a very broad spectrum of clients: individuals, couples, families, advisory firms, global institutions, financial executives and organizations, fellow mental health practitioners, the general public, attorneys, estate planning organizations, and many others. He will also describe the tremendous opportunities which yet lie ahead for the field. His opening presentation will help frame the landscape of financial psychology and lead into more specific discussion of the field by the panel and the audience. Dr. Grubman is the author of *Strangers in Paradise: How Families Adapt to Wealth Across Generations*, a groundbreaking book discussing wealth as a cross-cultural experience requiring both personal adjustment and generational adaptation. He is co-author (with Dennis Jaffe, PhD) of *Cross Cultures: How Global Families Negotiate Change Across Generations*, extending the cultural paradigm of wealth to global families and their additional stresses in adaptation. His global consulting practice is based in Boston, Massachusetts.

### **3. Psychology and the World of Money**

Dr. Moira Somers works both as a clinical neuropsychologist and as a consulting psychologist to financial services professionals and their clients. She has found that psychological principles and skills are welcomed by financial professionals, who are so often called upon to work with people during some of the most tumultuous times of life (e.g. clients going through divorce, retirement, business sale, traumatic injury, or widowhood). Such occasions have large, lasting implications for all aspects of clients' well-being – relational, emotional, physical, financial – yet most financial advisors have received little to no training on such basic issues as communication, empathy, or facilitation of good decision-making. Through her consulting business, Dr. Somers helps financial professionals improve their skills in the personal side of advising. The presenter will review the main domains that contribute to non-adherence in any domain, including best financial practices and optimal health behaviors. These include features of the advice itself, social and environmental influences, client characteristics, and mistakes commonly made by advice-givers in all professions. Dr. Somers is an Assistant Professor in the Department of Clinical Health Psychology at the University of Manitoba, where she teaches medical students and psychology residents about neurological conditions and treatment non-adherence. She is also on faculty at the Financial Transitionist Institute in Florida. Her 2018 book, *Advice that Sticks: How to Give Financial Advice that People Will Follow*, has been adopted by training programs for financial services professionals in North America, Europe and Africa.

### **4. Optionality, Performance and Culture in Financial Services Firms**

There are a range of differences between the financial services (FS) industry, particularly those focused on non-retail investing and deal-making, and other business sectors, including strategic differences, organizational differences, and in some cases personality differences.\* These differences, supported by research in both the economics and the organizational behavior literature, contribute to the heightened need for external regulation, and the unique characteristics encountered when coaching or consulting in Financial Services. This combination of factors - optionality, compensation focus, and personal risk-taking have resulted in an underinvestment in corporate culture for most financial services organizations. As Anjan Thankor noted (2016), "Variables like capital ratios and compensation are tangible and visible, so it is easy to target them in the formulation of regulations. Culture, by contrast, is a nebulous concept that often means different things to different people." Despite the vagueness of culture, research from both economic and organizational behavior, and professional experience has shown the benefits (and risks) of a strong, explicit culture. This element of the workshop will address these structural differences, and how they can be used by consulting psychology to positively influence the organizations in which they work.

#### **Learning Objectives**

1. Describe three factors contributing to financial stress.
2. Describe two possible roles for psychologists offering financially related services to individuals, families, businesses, and other organizations.
3. List three resources psychologists can utilize to develop the knowledge, skills and experience needed to better serve clients in need of financially related services.

**Intended Target Audience:** Mid- and Advanced- Level Psychologists

## How to Access:

- At APA 2020 Portal
- For 1.0 CE at SCP OnDemand

*\*The Society of Consulting Psychology (SCP, Division 13) is approved by the American Psychological Association to sponsor continuing education for psychologists. The Society of Consulting Psychology maintains responsibility for this program and its content.*

## Chair:



**Rebecca Turner, PhD**

Becky is an advisor and consultant for executives and teams to assess and enhance their performance in organizations. She works with leaders in technology, financial services and healthcare. Becky was a faculty member and investigator for NIH-funded studies on health and behavior at University of California, San Francisco School of Medicine, and Director of Organizational Psychology at California School of Professional Psychology. She holds a Ph.D. in social psychology from George Washington University.

## Presenters:



**James Grubman PhD**

James Grubman PhD is a senior consultant to multigenerational families and their advisors about the issues often arising around wealth. Trained as a clinical psychologist and neuropsychologist, he transitioned long ago from healthcare to the financial domain to help individuals, couples, families, and their professionals work together effectively. He has extensive experience in financial psychology as a practitioner, educator, author, researcher, and speaker. His global consulting practice, Family Wealth Consulting, is based in Massachusetts, USA.



**Mary Gresham, Ph.D.**

Dr. Mary Gresham has an Atlanta, GA-based clinical practice and works in several areas of financial psychology. She provides supervision groups for private practitioners who are themselves uncomfortable with money, may have low financial literacy, or are struggling with the business side of their practices. Dr. Gresham is the author of “Financial Planning for the Private Practitioner”, a chapter in *The Oxford Handbook of Private Practice*.



**Moira Somers, PhD**

Moira Somers is a clinical neuropsychologist and professor at the Max Rady School of Medicine at the University of Manitoba. She has a longstanding interest in the factors that influence non-adherence and effectiveness in advice delivery. The author of *Advice that Sticks: How to Give Financial Advice that People Will Follow*, Dr. Somers consults extensively to financial services professionals and regulatory bodies around the globe. Ph.D., University of Waterloo, 1992 (28 years). World Health Organization (2003). *Adherence to long-term therapies: evidence for action*.



**Bill Berman, PhD**

Bill is a seasoned consultant with 30+ years' experience as an executive coach, senior line manager, clinician and academic. He has been assessing individuals since 1983, delivered organizational consulting and executive coaching since 1993, and has consulted to executives and C-suite business leaders since returning to full-time consulting in 2004. Bill is also the Past President of the Society of Consulting Psychology, a Fellow of the APA, and ABPP certified in Clinical Psychology. B.A., Harvard; Ph.D., Yale U.

**Discussion Moderator:**



**Kathleen Gounaris, Psy.D., MBA**

Kathleen Gounaris brings sixteen years of consulting experience to her work in behavioral finance. She began her career at Goldman Sachs, spent a decade at two global consulting firms, and writes and teaches in the area of financial psychology. Currently she is in private practice, consulting to organizations as well as private individuals/families on talent and succession, financial psychology, and wellness strategies. B.A. NYU (1994); PsyD Clinical & MBA, Widener University (2004); Licensed in PA.