

## RESEARCHER PROFILE

### An Interview with

Derek J. Sensenig, Ph.D., CFP®

*Derek J. Sensenig was born and raised in Lancaster County, PA. Immediately after graduating high school, he joined the U.S. Air Force. During his time in the military, he was part of the first units deployed for Operation Enduring Freedom and served as a Military Training Instructor at Lackland AFB, TX. After separating from the military, Derek worked in banking before becoming a CFP® practitioner. He holds a bachelor's degree in Business Management from Park University, a master's degree in business administration from Webster University, and a Ph.D. in Personal Financial Planning from Kansas State University. While at Kansas State University, he also received his Financial Therapy Graduate Certificate. He also holds the CLU®, ChFC®, and RICP® designations from the American College of Financial Planning. Derek currently resides in Houston, TX, and has been married to his wife, Angela, for 22 years. They have two boys, Jordan (7) and Jaxon (5).*

#### **Q. Define what you do professionally.**

A. I am the Senior Vice President of Financial Planning for Encompass Advisory Services, LLC, near Houston, Texas. As a recent graduate from the doctoral program, I am also passionate about research and writing that includes various aspects of financial therapy.

#### **Q. What activities encompass your professional responsibilities?**

A. Since we are a smaller firm, my job is to do whatever is necessary to help grow the firm. Much of my time is spent marketing, conducting investment analysis, and meeting with clients. I am also currently writing articles based on my dissertation research that evaluate the potential mediating relationship of various debts and their long-term impact on the ability to save for retirement.



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

A. I have been engaged with some level of financial planning for more than 15 years, and I have held the CFP® designation for about 11 years. In the early part of my career, I was helping people build budgets, get out of debt, and work towards saving money which made me want to pursue professional designations and make it my full-time profession.

**Q. What led you to your professional calling?**

A. I wish I had a great story that begins with seeing financial planning as my dream job in elementary school. However, I never considered financial planning until I was out of the military. I completed my MBA and, after doing so, was looking for the next challenge. After doing some research, along with the work I was already doing with helping people with their finances, I found the CFP® certification to be a suitable challenge to help grow my career. After passing the CFP® exam, I decided to go into production as a financial planner and have enjoyed it ever since.

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

A. In my practice, I primarily work alone. I enjoy this more because it gives me more control over my time and schedule and gives me the ability to garner the flexibility that I value as a financial planner and balance work and home life. In research projects, I prefer to work in teams because the strength of each team member allows us to create a more robust manuscript and allows us to learn from each other as well.

**Q. What theoretical framework guides your work?**

A. There are two theoretical frameworks that guide my work. First is the consumer socialization model developed by Moschis and Churchill (1978), which they define as “the process by which young people develop consumer-related skills, knowledge, and attitudes” (Moschis & Churchill, 1978, p. 599), and the three statistically significant socialization agents of influence categories they identified were mass media, parents, and peers. Specifically, mass media has grown to have such a significant influence on people that it impacts virtually all aspects of their finances, from the credit cards they get, to the cars they drive, and the restaurants they favor. Peers also play a unique part in guiding my work because most individuals do not understand the impact that conspicuous consumption has on their financial decisions.

The second is the social media engagement theory (Di Gangi & Wasko, 2016). Social media, in general, has become ubiquitous in our daily lives. Whether it is Twitter, Facebook, Tik Tok,

Instagram, or others, people invest a lot of time into these platforms. While they are intended to create interaction among friends, the uniquely and personally-tailored advertising is a guiding influence on my work. I consistently see a lack of understanding of how impactful social media is to our life from my clients. Simply seeing a friend post a picture about their new car or house can throw someone into a mode of comparison and feel that their similar item is now inadequate and affects the brain in ways that are not yet fully understood.

**Q. Are you working on any projects right now that you are really excited about related to financial therapy?**

A. I am most interested in determining if there is a specific debt that serves as a mediator between consumer socialization and retirement savings. The 2020 Retirement Confidence Survey demonstrated that there is a huge gap between retirement need and retirement savings. Since wealth and money are finite, my overarching hypothesis is that something is mediating the relationship between consumer socialization and retirement savings. Prior research has essentially found that credit cards do not serve as that mediator so the next test will be to consider student loan debt, mortgage debt, and car debt. If none of those debt instruments single-handedly serve as a mediator, debt as a whole would be assessed.

General knowledge would suggest that saving for retirement is more of a behavioral issue than a mathematical issue. Most individuals in the middle class and above make enough money to mathematically save for retirement and most would acknowledge that saving for retirement is important. If these axioms are true, then the behavioral aspects, not the mathematical, become the focus for bridging the retirement savings gap. It is essential that aspects of financial therapy guide this type of research because it is not typically a mathematical answer that solves the issue (i.e., save 10% of your income), but rather, a behavioral issue between couples that can get them to the point where they are able to have a discussion on the mathematical aspects of retirement savings. Financial therapy here is so essential because each person is bringing their consumer socialization ideals, individual goals, and objectives, and integrating them with someone else that also has their unique set on consumer socialization ideals, goals, and objectives. Understanding and addressing this interaction through the lens of financial therapy then allows the discussion to proceed to answering the questions of retirement savings.

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

A. Continuing to advance the behavioral aspects of financial therapy will help make financial therapy an even more respected field of study. I view financial therapy topics as an antecedent for addressing mechanical financial planning issues. Financial planning has quickly moved away from focusing on sheer numbers and mechanical aspects towards integrating more behavioral and emotional factors. Consider a standard married couple; they each have different money scripts, experienced different forms of modeling from their parents, view and react to advertising differently, and have different financial ideals. Combining these two people means that a financial planner not only has to deal with the individuals' financial beliefs but also the joint beliefs that are created. Financial therapy research provides the academic rigor necessary to add clarity and tools for financial planners.

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

A. In my judgment, issues of financial therapy are one of the first topics that must be addressed in a client interaction. It would not be practical or helpful to the client to tell them how much money they need to save for their specified goal if they have no idea how to make the behavioral changes necessary to implement the savings plan. The Financial Therapy Association provides an amazing resource of like-minded individuals who understand the importance of financial therapy and focus on research topics to help advance this field of study.

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

A. I always enjoy speaking with other professionals interested in research, financial planning, and financial therapy. The best way to reach me to begin this discussion and find out more about me personally and professionally is to email me at [derek@easadvice.com](mailto:derek@easadvice.com)

**Q. If you had unlimited resources, what would your dream financial therapy research project look like?**

A. My dream research project would be to study the brain's activity in relation to advertising on social media platforms and how that influences consumption. Virtually all companies have a social media advertising strategy. Television is still an important aspect of advertising; however, people can easily avoid commercials with the advent of DVRs and unlimited channels. The ads are virtually impossible to avoid with social media, and they are specifically tailored to the individual based on their prior internet activity. Surveys can be helpful,

but there are situations where people do not fully comprehend the subconscious impact of subliminal messages in marketing. Therefore, studying the brain's reactions and activity while a person is on social media would be a significant advancement for our field.

**Q. Could you give advice to practitioners' wanting to get involved in doing their own research or writing on financial therapy?**

A. As practitioners, we have the privilege of helping clients on a daily basis. While each person and couple are unique, there are commonalities that exist. These commonalities can be based on geography (i.e., New York City versus Rural Iowa), generation, and ethnicity. I would encourage any practitioner who wants to get involved in financial therapy research to evaluate the commonalities that are most interesting to them and then begin asking "why" these similarities exist and how gaining further understanding could advance financial therapy research.