Advising Communication in Finance

A Senior Project Presented to

The Faculty of the Communication Studies Department

California Polytechnic State University, San Luis Obispo

In Partial Fulfillment

Of the Requirements for the Degree

Bachelor of Arts

By

Jordan Schumann

Spring 2023

Dr. Aubrie Adams

Senior Project Advisor

Dr. Lauren Kolodziejski

Department Chair

Abstract

Communication is an important factor in relationships. When it comes to financial advising and the advisors' relationship with their clients, it is no different. However, the driving factor of what makes a client choose one advisor over another remains in question. As such a question builds: what does an advisor do to maintain a client and promote gaining new ones? This study examines the experiences current advisors have had in their respective careers. To examine this topic, communication theories (Social Cognitive Theory, Source Credibility Theory, and Uncertainty Reduction Theory) are called upon to inform the outcomes of advisors' experiences. The study findings align with each theory to an extent, but most align with Source Credibility Theory and Uncertainty Reduction Theory. Lastly, this study investigates the relationship between advisor and client, ultimately finding what makes an advisor better than other advisors. Ultimately, this study shows that advisors incorporate communication themes of (1) style, (2) methods, (3) trust, (4) figure of speech, (5) personality, (6) relatable, and (7) efforts, and (8) pandemic efforts it can strengthen and guide their client relationships.

Keywords: Financial Advisor, Social Cognitive Theory, Source Credibility Theory, Uncertainty Reduction Theory, Trust, Client

Advising Communication in Finance

Financial Advising is exactly as it sounds. It is the act of advising people on their finances. People who have money and are looking to hold onto it, invest, acquire interest, buy a house, set up a retirement plan, or save for their kids to go to college may all go to a financial advisor. In fact, approximately 35 percent of people visit financial advisors every year (*The Latest Financial Advisor Statistics*, 2023). The advisor acts as a trusted fiduciary to help the individual arrive at their financial goal. There are different types of advisors such as wealth managers, financial planners, financial consultants, and other names of professionals who handle people's money. For the sake of this paper, I will refer to the people in these types of careers as advisors.

To start, this paper first seeks to identify the importance of interpersonal communication within the advisor role. This matters because every day they talk to clients and prospective clients, striving to earn their trust to become their advisor. In 2021, there were 330,300 advisors in the United States (True Tamplin, 2023), out of those, people were tasked to choose one. This can be a daunting task for someone who may not know what to look for, or who has limited experience with choosing professionals to trust. As such, this study seeks to explore the following guiding questions: What types of communication make a worthy financial advisor? Is it someone who is relatable, reliable, or something else? Is a certain style of communication preferred and why? What theory serves us best when examining the communication strategies of financial advisors?

Given these questions, the goal of this study is to determine what styles of communication best serve financial advisors in their everyday interactions with prospective and existing clients. Of course, every person may have different opinions on the answer to these questions, depending on their current experience with advisors. However, this study is interested in what the advisors have to say about it. But before exploring the perspective of advisors, this study first examines relevant communication theories to assist in exploring models of communication. Overall, through the process of conducting 5 interviews with advisors in the state of California, this research will uncover what makes an advisor more trustworthy in their everyday interactions with prospective and existing clients.

Literature Review

To establish the credibility that communication concepts can have in the business world, it is important to examine previous research on how communication theories along with research on interpersonal communication have become relevant to this area of inquiry. Advising clients on money takes a certain level of trust, which may stem from the relationships advisors form with their clients. It is even stated in *Storyselling for Financial Advisors,* a *book* written by Scott West and Mitch Anthony, that clients leave advisors 87 percent of the time over relationship issues, and 13 percent of the time for performance issues (West & Anthony, 2000). Therefore, it is essential to examine relationships in the business world. As such, this paper first examines studies with interpersonal communication, Social Cognitive Theory, Source Credibility Theory, and Uncertainty Reduction Theory (URT). Lastly, it can be beneficial to briefly describe the rhetoric of advisors. This literature review is provided to review background information regarding what successful advisors are typically doing.

Interpersonal Communication

Interpersonal communication in a business context is defined as how people communicate effectively with others in the workplace, like conflicts and responding to the needs of others (Team, 2022). Previous research on interpersonal communication in the business world reinstates the well-known importance of “word of mouth.” Word of mouth can be called the oldest marketing strategy in the books, it is capable of 20-50 percent of all business impressions (Berger, 2014). Other studies have shown how necessary it is to be able to communicate effectively with people in this way, for instance, one study examined communication with leadership. Interviews were conducted with eight different experts in the field and 31 leaders and followers in South Africa. The research concluded how proper interpersonal communication can create better environments saying, “[communication can] share meaning to strengthen their relationship and to collaboratively transfer and apply knowledge to achieve organizational goals” (Louw & Barker, 2021, para. 9). With advisors, this is especially relevant. According to Berger (2014), advisors often use interpersonal communication strategies such as simply keeping their clients up to date on market trends or wishing them happy birthdays. Berger also mentions how “Social bonding” can be triggered through interpersonal communication. For instance, common ground and reinforced shared values can create a bond allowing people to warm up and share more emotional information. Therefore, attaining in-depth information about prospective clients is vital to advisors in turning prospects into clients.

Similar research highlights how interpersonal communication can be used as an influence to improve relationships. In a study by Langlinais et al. (2022), they set out to identify how interpersonal communication can create trustworthiness in a workplace among coworkers. By looking at how one communicates, they came to understand how people assess others’ abilities, benevolences, and integrity. In the end, they found, “interpersonal communication dominance would influence trust through perceptions of trustworthiness” (Langlinais et al., 2022, para. 31). Overall, these researchers provide an in-depth analysis of why interpersonal communication is important and what impacts it can have on the people around you. In regards to this research, it provides relevant information regarding how advisors present themselves and what can make them more or less trustworthy.

In summary, interpersonal communication is relevant in the field of financial advising because advisors often talk to clients and prospects, both are all sorts of people who stem from different backgrounds. Advisors, along with the field of communication, find it necessary to tailor communication to different people. In a study from Haumer et al., they examine change managers to employees dealing with life events. They set out to find what tailoring messages can do for employees. In the end, they found it mandatory to “employ different methods of communication to enhance relationships, establish trust, get employees to think and get involved” (Haumer et al., 2021, para. 11). This study highlights the importance of tailoring messages to people of different education levels, wealth, jobs, and hobbies, making sure not to offend anyone in the process. As such, improving and being aware of your interpersonal communication can contribute to a financial advisor’s success.

Social Cognitive Theory

Given that advisors can derive from all sorts of backgrounds and are not limited to a finance degree, it is a demanding job to learn. This is why it is important to understand how advisors can learn from their surroundings, and Social Cognitive Theory (SCT) can help us understand how. According to Schunk and DiBenedetto (2023), SCT predicts that much of human learning occurs in social environments. In this research case, advisors learn from those around them, actively receiving feedback and self-evaluation. Advisors' interactions with prospects, clients, and colleagues all contribute to how they learn (2023). There are many different definitions and perspectives of SCT, this particular one comes from Bandura as cited in the 2023 article.

According to Schunk and DiBenedetto (2023), the three main influences Bandura mentions are imitation, latent learning, and social learning. Imitation occurs when humans see one perform a task and then perform the task the same way. Latent learning is learning which occurs without reinforcement. These are goals and intrinsic drive to do things right and well. Finally, social learning refers to the process by which individuals acquire new knowledge, behaviors, attitudes, or values through observation and interaction with others. It suggests that people can learn from the experiences and behaviors of others, including their family members, peers, role models, and the media. A famous example is Bandura's bobo doll experiment in which children learned how to treat a doll from watching others. Similarly, Social Cognitive Theory and modeling processes can be a fundamental way advisors learn as they are in their roles.

In a peer-reviewed journal from Govindaraju, they include an idea of how SCT is the process of reading one's mind to be able to empathize better. Also in the journal is a section on a similar field to financial advising, research has been done in the health industry on SCT. SCT is valuable in the healthcare industry research based on positive impacts on one's behavior and personal factors (Govindaraju, 2021). It can help forecast health habits and create predictions for how one will act/respond. Going off of this, SCT can also assist in developing the doctor-patient relationship in hospitals. Govindaraju previously conducted a study attempting to examine the interpersonal skills doctors use to smooth over patient relations and consultations. One of the findings showed how physicians actively shape patient communication through their behavior and decision-making. This relates to how if the doctors come across as more empathetic and warm by showing support, then the patient believes they can overcome their health problems

(Govindaraju, 2017). Similarities can be drawn between the two professions making it relevant for advisors to shape their own communication to benefit the client.

Source Credibility Theory

Similar to Social Cognitive Theory, Source Credibility Theory can be useful to allow for the understanding of trust in people. Trust can go hand and hand with communication. We are constantly analyzing how one goes about their modes of communication. Are they hesitant to answer? Talking in a slightly higher pitch? The list goes on, and we are left asking ourselves, do we trust them? It is essential to understand why people decide to choose some people over others for professional tasks. To understand this, one could look at Source Credibility Theory.

Source Credibility Theory can be broken down into three parts, which all contribute to how someone decides on who to trust. It proposes that people are more likely to trust someone who they perceive as credible. The three models serve to refine the broad scope of Source Credibility Theory, making it a more targeted and effective approach for studying communication. The factor model, based on a covering laws approach, assesses the extent to which the receiver perceives the source as credible. The functional model, also grounded in a covering laws approach, defines credibility as the level to which a source fulfills the receiver's personal needs. The constructivist model, employing a human action approach, examines how the receiver engages with the source's proposition (Schneggenburger, 2001). The theory was originally coined by Hovland et al., in 1953.

Other studies have referenced Source Credibility Theory to examine trust within organizations. One such study claimed that trust is essential for organizations. Researchers interviewed several people inside of organizations asking questions about trust within the organization. They went into detail about how trust takes the form of words, further saying, "words and actions [have] been attained in areas of competence, benevolence, and integrity," (Kodish, 2014, para. 45). Findings concluded by noting how words themselves do not carry the trust, but the actions that come with them. The research also referenced another relevant study from Gilbert and Tang's (1998) study where they performed a survey that had 83 managerial employees working in a federal government agency situated in a populous metropolitan city in the Southwestern US. Findings revealed that age, marital status, and work group cohesion displayed a positive correlation with organizational trust. Even sharing the idea that there is a direct correlation between the amount of information included in communication and the level of trust (Gilbert & Tang, 1998). These findings are useful due to the fact of advisors needing to establish trust to create relationships.

Uncertainty Reduction Theory

Building off of the previous theory, we have come to the notion that trust is a must in advising. So, it is essential to this study to bring up Uncertainty Reduction Theory (URT) which aids in the actual establishing of trust. Trust can go hand and hand with communication. We are constantly analyzing how one goes about their modes of communication. Are they hesitant to answer? Talking in a slightly higher pitch? The list goes on, and we are left asking ourselves, do we trust them?

URT was developed by Charles Berger and Richard Calabrese in 1975 (Kramer, 1999). URT was later further developed and sought to find new meanings in a more modern aspect. Michael Kramer (1999) was responsible for revamping the theory by suggesting how high levels of uncertainty and anxiety can lead to individuals trying to learn more about each other to erase uncomfortable feelings of initial uncertainty. Kramer found that Berger and Calabrese's theory had problems like “information can actually increase uncertainty rather than reduce it when the information is unexpected” (Kramer, 1999, para. 2). Scholars also found that tolerance of uncertainty more accurately predicted communication than uncertainty. Kramer’s new findings cleaned up the underlying questions of the theory and made it more applicable to the communications field. However, based on the Berger and Calabrese theory, they created five axioms of URT. The axioms explain how individuals behave in relation to uncertainty. Axiom 1 states that as uncertainty decreases, there is an increase in the amount of verbal communication. Axiom 2 suggests that as uncertainty decreases, individuals exhibit more nonverbal affiliative expressiveness, such as smiling or nodding. Axiom 3 indicates that as uncertainty decreases, individuals engage in more information-seeking behavior. Axiom 4 highlights that as uncertainty decreases, individuals disclose more intimate information, deepening the level of self-disclosure. Finally, Axiom 5 emphasizes that uncertainty reduction is most effective when there is a mutual exchange of information between individuals (Berger & Calabrese, 1975). These axioms have been applied to further research to test and prove them.

Research on the theory in the communications field has applied URT to different situations. In Kodish’s (2014) article, they attempt to understand how trust is communicated. After performing two studies on opposite sides of the United States it was found that trust is communicated as a speech act within a continuous interactional context that includes a relational element. Trust is established when there is consistency between the words spoken and the actions taken, specifically in areas of competence, benevolence, and integrity. Merely using words alone is insufficient to communicate trust; there must be corresponding actions that validate the truthfulness of those words (Kodish, 2014). Thus, these findings that are used to create trust are valuable to this research.

More research done on URT has been related to the field of crisis communication. Researchers looked at the uncertainties the COVID-19 pandemic brought to people. They tracked a health department in Lubbock, Texas between late March and early May of 2020. The department sent out 81 documents, videos, and pamphlets to allow people to reduce uncertainty about the disease. Researchers concluded how effective URT can be in crisis by allowing people to gain information and maintain trust within their organization (Grace & Tham, 2020). When it comes to financial markets, they are always fluctuating and bringing in new anxieties to people, providing constant information and communication can help maintain the trust between client and advisor.

Rhetoric

Rhetoric has multiple definitions and expands across almost every aspect of life. Scholars have quarreled and declared different approaches to understanding rhetoric since Socrates. Rhetoric can be summarized by the great rhetorical theorist, Kenneth Burke, by the use of language to persuade and influence others. He underscores the potency of language in fostering a sense of identification and connection between the speaker and the audience. According to Burke, rhetoric extends beyond persuasion; it serves as a vehicle for comprehending human interactions, societal patterns, and the role of language in shaping our understanding of the world. He regards rhetoric as a pivotal element of human communication, enabling us to navigate the intricacies of public discussions effectively (Wess, 1996). Rhetoric has a variety of uses on any occasion including in a business context. In the advisors' case, it can be useful to explain and change codes to certain clients to persuade them to trust you. rhetoric is a powerful tool capable of persuasion, hence valuable to the advisor.

In summary, this literature has reviewed multiple theories, as well as built an understanding of rhetoric, that may assist in finding what makes a financial advisor successful in the field. After researching communication theories like SCT, we can conclude advisors can learn from their surroundings and base their self-evaluations on client meetings and interactions. This theory can be a foundational building block for how advisors approach different clients based on past interactions with individuals in similar stages of life. Research agrees on this learning process. URT tells us individuals are likely to talk to each other and share info when they are placed in unfamiliar and uncomfortable settings. Evidence has shown trust can be built better through similar situations as people go through the process together, hence bonding through the experience. It is important to remember that sometimes verbal communication is not enough and other media may be necessary for it to be effective. Lastly, rhetoric was introduced in relation to the business world. There is no specific definition of rhetoric, but it is highly effective in persuasion. Therefore, it is valuable to the study because financial advising utilizes different forms of persuasion. Based on this past research, this study utilizes interviews interested in financial advising, extraversion, and introversion. The following research questions guide this study:

RQ1: What types of communication make a worthy financial advisor to all? Is it someone who is relatable, reliable, or something else?

RQ2: Is a certain style of communication preferred and why? What theory serves us best?

Method

This qualitative study investigated current financial advisors across California and their experiences working and communicating with different types of clients. Interviews were conducted with each participant and featured 11 open-ended questions in order to seek information that would answer the previously posed research questions. Each question was designed to gain insight into the communication styles and effects advisors develop within their career including questions about: personality, communication failing, losing clients, success, technology within communication, virtual communication, storytelling, metaphors, and trust. Notes were taken during interviews and meetings were recorded.

Participants

In this study, 5 advisors in California volunteered to be interviewed using snowball sampling techniques. Advisors included men and women with ages ranging from 22-47. No other demographic information was collected due to IRB recommendations.

Procedures

In order to obtain volunteer participation, a few different methods were used. Linkedin messages were sent to Cal Poly alumni who worked in financial advising, as well as emails and calls to local advising practices. Messages in Linkedin consisted of referencing the project while asking if I can interview them for 30 minutes. The ones who said yes, provided their emails and then emails were sent from there. DocuSign consent forms were sent to participants to verify their willingness to have their insight recorded and used for research. Lastly, snowball sampling took place to find more advisors willing to participate. Interviews took place on speaker phone while notes and recordings took place. Next, participant demographics were taken note of and included: age, sex, and years in financial advising (Appendix B). Next, a protocol script was read to each participant, which informed participants that they may skip any question they would like or withdraw from the interview at any point. The protocol script also asked for consent to participate in the study and verification of being 18 or older (Appendix C). Next, the interview began and 11 open-ended questions were asked to gain a better understanding of communication experiences in financial advising (Appendix D).

Results

After the interviews were complete, the recordings were transcribed and assessed for common themes across advisors which would provide insight into how communication is utilized in financial advising. After examining each interview and transcription thoroughly, eight common themes amongst advisors appeared in communication efforts: (1) style, (2) methods, (3) trust, (4) figure of speech, (5) personality, (6) relatable, and (7) efforts, and (8) pandemic efforts. These themes were based off of the interviews alone.

1. Style

One of the most prominent themes in interviews was style. Style here relates to how the advisor chooses to use their own style to gain and maintain clients. One Morgan Stanley advisor stated, “Your book is like you,” meaning the clients you attract are similar to you. She referred to herself as “not a typical wall street guy” by going into detail about how she does not use technical jargon, but instead uses explanations and similar meanings to get her points across. Other advisors chose the more technical route because of their respective backgrounds, and their clients reflected this in their book. One can tell in the interviews about how each advisor conducts themself. Some spoke more informally and used technical jargon, while others kept it unbelievably simple and spoke with a conversational tone. Many advisors even referenced how the result of most “firings” of advisors were the result of unmatching styles. Of the 15 occurrences, 6 were manifest (obvious) and 9 were latent (subtle). A few examples of advisors referencing communication styles include:

> *"And that can be a level of lack of communication or it could be communication style doesn't align with the client and what they like. Yes, I think communication could be at the center of that."* [Advisor 1]
>
> *"I don't sell risk, you know, I don't try to convince someone to take more risk than they're comfortable with."* [Advisor 3]
>
> *"You can't force someone or make someone feel uncomfortable."* [Advisor 3]
>
> *"you're going to be dealing with someone that is similar to you, you can understand better. And so naturally, that's what your book is going to look like."* [Advisor 1]
>
> *"if you set the expectation that their accounts are going to move around a lot, then you're beating him to the punch."* [Advisor 2]
>
> *"I'm just conversational and I tend to somehow develop trust quickly"* [Advisor 2]

2. Methods

The second theme that emerged in interviews was the method of communication. The method relates to how advisors choose to communicate and coexist with their clients as well as the medium. Advisors noted their unique clientele which had a range of ages, so finding the perfect medium is no easy task. Advisors also referenced the difficulty there was in finding a common ground and building rapport with a wide range of personalities. The concept of time with chit-chat was brought up multiple times with some looking at it more than others who wanted to get down to business. Different media were referenced such as Zoom, calls, emails, and in-person visits. Overall the majority of advisors preferred in-person visits as a medium, as it opened more communication. The topic of methods came up 11 times among interviews. Of the 11 occurrences 6 were manifest (obvious) and 5 were latent (subtle). Examples of different methods included:

> *"You got to distinguish yourself from the rest."* [Advisor 1]

> *"I think technology has been a huge benefit to be able to reach out to clients and Morgan Stanley specifically specifically just started using text messaging.* [Advisor 1]

> *"I hang out with them emotionally, but have that easy going relationship with them where they feel like they can vent to me about stuff."* [Advisor 3]

> *"[In-person] you can see if your client's uncomfortable with something, if they're excited, you can read their body language. It's just a lot easier to, I guess, it's a lot easier to communicate what you're trying to say and it's a lot easier to understand what that is"* [Advisor 5]

> *"it's like I don't even know this about managing their money it's more about managing their emotions"* [Advisor 3]

> *"But for me, DocuSign is like a stretch for a lot of my clients."* [Advisor 2]

3. Trust

Perhaps the most referenced and called upon aspect of communication was trust. Each advisor interviewed had their own take on trust and how to establish it. To some advisors, it was natural and easy to establish. For others, it took time and respect. Advisors addressed their concerns on losing trust and making sure it is there. All advisors said they were "fired" by their clients because aspects of trust were not there and they could not do what they needed for their clients. In the 11 questions asked, advisors referenced trust in 4-5 of the questions. Of the 5 of advisors interviewed, all of them called trust the most important aspect to advising. 19 occurrences of trust were mentioned, with 12 being manifest (obvious) and 7 being latent (subtle). Some notable quotes about trust were:

> *"I think it's comes down to earning, earning the trust of individuals who I wanted to work with. Seeking out people that would be an ideal client for me and connecting with those people,"* [Advisor 1]

> *"you feel bad about the fact that clients are losing money, and so you don't necessarily want to call them to face the music"* [Advisor 3]

> *"I've learned to be successful by getting deep in a relationship with clients as far as again really getting to know their personal situations"* [Advisor 3]

> *"Initially, someone's not going to work with you initially if they don't like you from the beginning and trust you."* [Advisor 3]

> *"I think it's something you have to earn over time"* [Advisor 5]
>
> *"I lost people because they just never really trusted me and and and there I mean honestly there's just some people that are never gonna trust you and it just makes it hard for everybody"* [Advisor 2]

4. Figure of speech

Another stand-out theme references how advisors used figures of speech to make complicated things simple. This included metaphors, similes, anecdotes, and references. Advisors recognized the power of figurative language and used it to their advantage. The power of storytelling helps advisors make complicated industry jargon simple for all. Assisting clients understand concepts that boost important characteristics advisors need to be successful. This concept makes advisors seem more credible and reliable. It also ensures clients do not have lingering questions about topics. The topic of figure of speech came up a total of 9 times among advisor interviews. Of the 8 occurrences, 5 were manifest (obvious) and 3 were latent (subtle). Some instances of figures of speech being referenced include:

> *"We're going to create a fruit salad here. What do we got to work with? What's in season? Let's use those things. And then you go to a restaurant and the seasons change. The chef is going to know that these are out of favor now, we're gonna go to what is currently the new produce that's cheaper, more readily accessible, and local, and we're gonna throw that in the cellar to create something new. Well, portfolios are similar to that, and people, especially older women, they get that."* [Advisor 1]
>
> *"I always tell them that we need to start their plan with where they want to end up with, where they want to eventually be"* [Advisor 3]
>
> *"it's something that can simplify terms to them in a metaphorical way."* [Advisor 5]
>
> *"It is like the comparing of Death Valley to Hawaii, where like the average temperature of Death Valley in Hawaii is like 75 degrees or something"* [Advisor 2]

5. Personality

A common theme that emerged from speaking with financial advisors was talks of their personality. All of the advisors referred to their personality for their success in the industry.

Whether in a professional or personal setting, personality has a lot to do with who you are friends with. Advisors have a unique career to where they have a certain personal relationship with their clients. So, many advisors talked about how their personalities merge with the people they talk toto gain trust and respect. The topic of personality came up 13 times among advisor interviews. Of the 13 occurrences, 6 were manifest (obvious) and 7 were latent (subtle). Some examples of different advisors discussing personality include:

> *"I'm working with clients that have come to me because I'm who I am, because they understand me, I understand them, and for some reason there's that underlying, unsaid stuff that you can't really put words to. If people get one another, you can relate and build trust. I think personality has everything to do with the clients that become yours. So personality is everything."* [Advisor 3]
>
> *"I allow people to be vulnerable"* [Advisor 1]
>
> *"I think it's important to also challenge your client in the way that maybe they have some kind of preconceived notions about certain things."* [Advisor 5]
>
> *"But where I really thrived, and actually in my prior jobs, was dealing with difficult people…I feel like I have a knack for taking a chaotic situation and kind of balancing it back out to normal."* [Advisor 2]

6. Relatableness

A prevailing theme that emerged from the interviews emphasized the importance of relatableness in financial advisors. The significance of advisors who could understand unique financial situations and provide guidance applicable to individual lives was highlighted. The desire for advisors who could empathize with challenges such as managing portfolios, future planning, and being able to listen was expressed. Prioritizing relatableness and empathy among financial advisors is therefore crucial for advisors. Relatableness occurred a total of 8 times with 4 of them being manifest (obvious) and 4 being latent (subtle). A few different examples of advisors expressing relatableness include:

"they have to get the feeling that you hear them as well, that you're not just rattling off everything you're good at at what you can do and this and that." [Advisor 3]

"but if I can relate something that I've gone through with another client that is somewhat similar to what they're going through, that's super helpful" [Advisor 3]

"relatability communicates in itself" [Advisor 5]

"Emotional intelligence can definitely go a long way. You know, understanding what motivates people, understanding what makes people tick, maybe understanding the propensity of how much risk someone can accrue.- So if you're an agreeable person, if you have a high degree of emotional intelligence, you're going to thrive in an industry like this." [Advisor 5]

7. Efforts

A theme that was highlighted by each advisor was their efforts. Efforts here are what the advisor does to communicate and retain their clients. They emphasized the significance of allowing their clients to comprehend unique financial situations and provide advice catered to particular circumstances. This theme was discussed repeatedly and openly, which highlighted how it affected the way people made decisions, and the client-advisor relationship. In order for advisors to fulfill the expectations and demands of their clients, financial advisors must prioritize diligent efforts and sympathetic approaches. The topic of efforts occurred a total of 9 times. Of the 9 occurrences, 3 were manifest (obvious) and 6 were latent (subtle). A few examples of different students discussing the efforts include:

"But it's also just as easy to put your work phone down and set it aside for the weekend too. So it's up to the individual advisor to draw those boundaries." [Advisor 1]

"If you get into the business make communication the cornerstone of your business with your clients and your teammates. Like, there's no such thing as over communicating." [Advisor 1]

"you do get to know a lot of different aspects of a family's life and, you know, what's going on with them. So even if it has nothing to do with the market, checking in with clients and communicating with clients on a regular basis just so that they know you're still on the same page of their goals and you know what's going on in their world is, I think, very important" [Advisor 3]

> *"No one knows exactly what to say when the market's down other than it will eventually come back."* [Advisor 3]
>
> *"probably could have been communicated better at the get-go"* [Advisor 3]
>
> *"one of the toughest things is just communicating some of the concepts to your clients or communication from clients for what it is that they're looking for."* [Advisor 5]
>
> *"It's half. Half personality, half just not being lazy."* [Advisor 2]
>
> *"Pride kind of holds you back."* [Advisor 2]

8. Pandemic efforts

The last theme that every advisor brought up was their own individual pandemic efforts. Advisors mentioned how they had to rethink their efforts to communicate and advise their clients during uncertain times. Whether advisors were using Zoom, calling all of their clients, or trying to boost their clientele, advisors went to unorthodox approaches. One of the most talked about aspects discussed clients who weren't as tech-savvy as younger clients. Advisors needed to cater to their clients and provide different and safe means of communication. Of the 5 advisors interviewed, all 5 had something to say about it, resulting in a total of 11 occurrences. Of the 11, 5 were manifest (obvious) and 6 were latent (subtle). Some notable examples of advisors speaking about their pandemic efforts include.

> *"I think, because everybody in society was up against the same challenges, there was a level of understanding that we all kind of had. But what it did is it made it easier to work from anywhere if we want to. And the ability to use Zoom, it just opened up a whole new way of being in contact and the pressures to not have to be in person all the time have decreased, so that makes it much easier. I had a, yeah, it makes it easier."* [Advisor 1]
>
> *"So even as a financial advisor looking back, that was a pretty scary time as far as there was no playbook for exactly what to do."* [Advisor 3]
>
> *"you've never seen what a market does during a pandemic"* [Advisor 5]
>
> *"I called everybody"* [Advisor 2]
>
> *"giving them real-life examples of Well, for example like during the pandemic Did you all the sudden like stop ordering things from Amazon? Well no, like I actually order so much more from Amazon now. Oh okay, so Amazon's down like let's say 30% mm-hmm and do*

> *you think that now would be like actually a good time like to go on the offensive and buy something like that that you know people are using the heck out of it"* [Advisor 2]

Discussion

After discovering each common theme amongst the 5 advisors, it is easier to address each research question with evidence. After addressing the research questions, comparisons can be made to rhetoric and to past literature. First, RQ1 must be answered.

RQ1:

In regard to RQ1, "What types of communication make a worthy financial advisor to all? Is it someone who is relatable, reliable, or something else?" advisors reported and showed there is not one certain advisor, but rather aspects of many. Five out of five advisors mentioned how important trust is in building a successful advisor relationship. This response from advisors points to the main ideas of URT and Source Credibility Theory, where trust needs to be established for a relationship. All 5 advisors went on to talk a lot about their personalities and the success it has brought them, nodding to the ideas around SCT, which talk about the importance of learning from their surroundings (past relationships and clients). Lastly, and again, all five advisors went out of their way to change their efforts during the pandemic. Based on these efforts it can be justified to assert the relation to URT, where advisors attempted to decline their clients' anxieties and worries during the pandemic by increasing their communication and reassuring them.

These findings fit within the context of prior research. For example, researcher Kodish (2014), found how words do not carry as much weight as action when it comes to earning one's trust. In these interviews it showed how advisors understand what they say is not enough, rather they are going out of their way to reach out to clients and ensure they can be trusted. Further Berger and Calabrese's (1975) five axioms are shown with advisor's (1) styles, (2) methods, and(7) efforts. This is shown in how they stated they reach out to clients and navigate difficult and unpredictable circumstances.

In regard to RQ2. "Is a certain style of communication preferred and why? What theory serves us best?" The short answer is no. There are numerous personalities in need of an advisor and a certain style may not work for everyone. Each advisor interviewed varied in their methods and style, however, all 5 advisors noted trust as an important factor in advising. Perhaps this is a hint of Source Credibility Theory where clients need to decide who to trust. It is then a matter of which style the client prefers. Also worth noting is how all five advisors talked about how communication can promote relationships. Either through the use of figurative language, rapport building, or actively listening to the requests of the client, it can be essential for an advisor to comprehend the demands of their client and cater to their needs.

Findings can be directly correlated to the findings referenced in the literature review due to the notion of communication improving trust. More specifically Source Credibility Theory and URT are used to establish and maintain trust. Advisors are actively using these theories without knowing by explaining and communicating their ideas and plans. SCT is also consistent in this study because older advisors have highlighted their understanding of client expectations and requests, helping them establish realistic boundaries, changing their explanations of concepts, and strengthening relationships through their failures.

These findings fit within prior research. For instance, researcher Kodish (2014) found how trust can be established with consistency between words and actions. The interviews showed how each advisor had their own unique way of reaching their client. Some talked of consistent meetings and upfront plans to ensure confidence in their clients. Lastly, advisors in interviews have talked about learning over time. They understand how they have improved and showed optimism for continual learning. These findings are consistent with Schunk and DiBenedetto (2023), where they conclude most of learning occurs in social environments. Advisors past interactions help them prepare for their future ones.

Comparing RQs to Rhetoric

While each advisor had their own answers to each question, there were common ideas and concepts each advisor possessed, they expressed them in different ways. The most common idea is how they get their points across. Each advisor expressed the same difficulty in making concepts easier to understand, so they used figures of speech. Advisors were able to draw outside information important to their clients and then made an example out of it. This way it allowed for the client to understand them in a personal way. This allowed for trust to be built and an explanation to be put together. The second most common theme amongst advisors was efforts. It can be assumed advisors want to make sure their clients know they are cared about, however, advisors do it in different ways. Some make sure to meet with their clients often, some call them on their birthday or send a gift, and others invite them to baseball games and outings. Whatever the idea is, they all convey the same message, I am here for you. Overall, all advisors have the same intentions, just different means of achieving them.

Limitations

In this study, it is important to address the limitations experienced. The limitations experienced were related to the sample of participants recruited. The study only had five advisor participants. It would have been more beneficial to the research if more advisors were interviewed to provide a broader perspective of insight and richer data. The sample was also limited because it was only advisors in the state of California, other states' advisors would have different perspectives due to conditions and regulations in the state. Lastly, all advisors interviewed were active and not retired, so they are still in their careers. The study could have benefited from the perspective of a retired advisor who has finished their career with wider years of data.

Future Recommendations

This study was useful in finding which communication styles were beneficial in financial advising. It was also useful in discovering what type of financial advisor is proficient for everyone, but in future research, it would be helpful to have a larger sample size in order to make stronger claims. Financial advisors are busy people with active lives, communication amongst researcher and advisor is not as essential for the advisor as an advisor to client relationship. So, advisors may take the call of a client over a researcher. A larger sample size can provide more perspectives, providing richer data, and overall more well-rounded research.

Final Thoughts

Advisors differ from one another in a number of ways, but they all have the common goal of watching their clients succeed. It has been shown that communication styles differ amongst them as they find creative ways to attain the trust of their clients. They navigate difficult times and smooth ones, reassuring their clients they are in the fight together. With that being said, when it comes to which way and style is best, there is no one answer. As can be concluded from this study, an advisor needs to create trust through their communication. An advisor must use their communication efforts to promote a sense of friendship and personalness with their client which reassures their fears and listens to their demands. With trust and a sense of relatableness, advisors can find themselves succeeding in their careers. With the rise of artificial intelligence and robo-investors advisors must stick to what has been useful to help them succeed, communication. Overall, this study provides research and insight to help advisors understand what aspects of communication strengthen relationships and build new ones.

References

Berger, J. (2014). Word of mouth and interpersonal communication: A review and directions for future research. Journal of Consumer Psychology, 24(4), 586–607. https://doi.org/10.1016/j.jcps.2014.05.002

Berger, R. R., & Calabrese, C. J. (1975). Some explorations in initial interaction and beyond: Toward a developmental theory of interpersonal communication. Human Communication Research, 1(2), 99–112. https://doi.org/10.1111/j.1468-2958.1975.tb00258.x

The Business Rhetoric Research Group. (2017). Introduction to thematic section on Business Rhetoric. HERMES - Journal of Language and Communication in Business, (27), 7–8. https://doi.org/10.7146/hjlcb.v14i27.25646

Gilbert, J. A., & Tang, T. L.-P. (1998). An examination of Organizational Trust antecedents. Public Personnel Management, 27(3), 321–338. https://doi.org/10.1177/009102609802700303

Govindaraju, V. (2021). A Review Of Social Cognitive Theory From The Perspective Of Interpersonal Communication. Multicultural Education, 7(12). https://doi.org/10.5281/zenodo.5802235

Govindarju, V. (2017). Interpersonal Communication Skills Used by Cardiologists in Doctor-Patient Communication at the National Heart Institute, Malaysia. Doctoral Thesis, Universiti Putra Malaysia.

Grace, R., & Tham, J. C. (2020). Adapting uncertainty reduction theory for crisis communication: Guidelines for technical communicators. Journal of Business and Technical Communication, 35(1), 110–117. https://doi.org/10.1177/1050651920959188

Haumer, F., Schlicker, L., Murschetz, P. C., & Kolo, C. (2021). Tailor the message and change will happen? an experimental study of message tailoring as an effective communication strategy for organizational change. Journal of Strategy and Management, 14(4), 426–443. https://doi.org/10.1108/jsma-08-2020-0207

Hovland, C. I., Janis, I. L., & Kelley, H. H. (1953). Communication and persuasion: Psychological studies of opinion change. New Haven : Yale University Press.

Hynes, G. E. (2012). Improving employees' interpersonal communication competencies. Business Communication Quarterly, 75(4), 466–475. https://doi.org/10.1177/1080569912458965

Kodish, S. (2014). Communicating Organizational Trust: An exploration of the link between discourse and action. International Journal of Business Communication, 54(4), 347–368. https://doi.org/10.1177/2329488414525464

Kramer, M. W. (1999). Motivation to reduce uncertainty. Management Communication Quarterly, 13(2), 305–316. https://doi.org/10.1177/0893318999132007

Langlinais, L. A., Howard, H. A., & Houghton, J. D. (2022). Trust me: Interpersonal communication dominance as a tool for influencing interpersonal trust between coworkers. International Journal of Business Communication, 232948842210809. https://doi.org/10.1177/23294884221080933

The latest financial advisor statistics 2023. SmartAsset. (2023). https://smartasset.com/statistics/financial-advisor-statistics#:~:text=While%20managing%20their%20finances%20is,not%20have%20a%20financial%20representative.

Louw, M., & Barker, R. (2021). Constructive interpersonal leadership relations in knowledge-based organisations: A theoretical framework. SA Journal of Human Resource Management, 19. https://doi.org/10.4102/sajhrm.v19i0.1636

Schneggenburger, J. (2001). HONORS: COMMUNICATION CAPSTONE SPRING 2001 THEORY WORKBOOK. Source credibility- persuasion context. http://www.uky.edu/~drlane/capstone/persuasion/sourcecred.htm

Schunk, D. H., & DiBenedetto, M. K. (2023). Learning from a social cognitive theory perspective. International Encyclopedia of Education(Fourth Edition), 22–35. https://doi.org/10.1016/b978-0-12-818630-5.14004-7

Team, T. I. (2022, December 22). How do interpersonal skills influence a business culture?. Investopedia. https://www.investopedia.com/ask/answers/030415/how-do-interpersonal-skills-influence-business-culture.asp

True Tamplin, Bs. (2023, March 21). How many financial advisors are in the U.S.?: Finance strategists. Finance Strategist. https://www.financestrategists.com/financial-advisor/advisor-types/how-many-financial-advisors-are-in-the-us/

Wess, R. (1996). Kenneth Burke. https://doi.org/10.1017/cbo9780511552878

West, S., & Anthony, M. (2000). Storyselling for financial advisors how Top Producers Sell. Dearborn.

Appendix A

INFORMED CONSENT TO PARTICIPATE IN A RESEARCH PROJECT:
Communication Studies Senior Project

INTRODUCTION

This form asks for your agreement to participate in a research project **on communication theories in financial advising. Your participation involves conducting an interview in which you will be asked specific questions pertaining to your overall experience with financial advising**. It is expected that your participation will take approximately 20-40 minutes. There is minimal risk anticipated with your participation. You may personally benefit from this study and others in research may benefit from your participation. If you are interested in participating, please review the following information:

PURPOSE OF THE STUDY AND PROPOSED BENEFITS

The purpose of the study is to explore **communication theories inside of financial advising.** Potential benefits include increased understanding for those in the field of communication studies and financial advising.

YOUR PARTICIPATION

If you agree to participate, you will be asked to complete an interview, during which you will be asked to answer some brief questions about yourself including demographic details, **and questions pertaining to your experience with the profession and learning experience with financial advising.** Your participation will take approximately 20-40 minutes. The interview will be conducted via in person or on zoom, notes will be taken and recorded. Incentives are not being offered for participation as this study is conducted on a volunteer basis.

PROTECTIONS AND POTENTIAL RISKS

Please be aware that you are not required to participate in this research, refusal to participate will not involve any penalty or loss of benefits to which you are otherwise entitled, and you may discontinue your participation at any time. You may omit responses to any questions you choose not to answer. There is minimal risk to participants' reputations if the responses were accidentally disclosed along with participant identities.There is also minimal risk to privacy in using Google forms and minimal psychological distress can occur from interview questions. Your confidentiality will be protected as your name and other identifying information will not be associated with your responses. The data from this study will be saved and protected on a password protected computer indefinitely. This is to inform participants that this data may be used for future related research purposes.

RESOURCES AND CONTACT INFORMATION

This research is being conducted by Jordan Schumann, in the Department of Communication Studies at Cal Poly, San Luis Obispo, under the supervision of Dr. Aubrie Adams. If you have any questions or would like to be informed of the results from this study, you may email the project's advisor, Dr. Aubrie Adams, Cal Poly Communication Studies Professor, at aadams45@calpoly.edu or 805-756-5997.

If you have any concerns about the conduct of the research project or your rights as a research participant, you may contact Dr. Michael Black, Chair of the Cal Poly Institutional Review Board, at (805) 756-2894, mblack@calpoly.edu, or Ms. Trish Brock, Director of Research Compliance, at (805) 756-1450 or pbrock@calpoly.edu.

AGREEMENT TO PARTICIPATE

"If you are 18 or older and agree to voluntarily participate in this research project as described, please indicate your agreement below. Please keep a copy of this form for your reference and thank you for your participation in this research.

( ) Yes, I agree to participate and have my interview be recorded

( ) Yes, I agree to participate and have my interview be recorded, but would like to review the recording transcript before it is used in the analysis

( ) Yes, I agree to participate but do not allow my interview to be recorded.

( ) No, decline and leave study.

Sig below to confirm:

Volunteer Participant Signature:
________________________________Date:_____________________________

Researcher Signature:
____Date:_____________________________

Appendix B

Basic Information:

Name:

Age:

Gender:

Number of Years in business:

Interview Day/ Time:

Interview Format:

Time spent in interview:

Verbal consent obtained:

Appendix C

Protocol Script:

Thank you for taking your time to participate in my senior project interview on financial advising. I expect this should only take about 30 minutes but interviews can sometimes take a little longer than expected. Feel free to let me know if you have any time constraints I should be aware of. Also, if it is okay with you, I will be taking notes in this interview to recall necessary details for my project. The purpose of this interview is to explore how different communication theories show up in financial advising and how advisors can learn from the theories. Parts of your answers will help contribute to my senior project research, paper, and could possibly be presented at an academic conference. Either way, your name or any identifying information will not be matched to your personal identity for the sake of your privacy. Also, you can end the interview at any time or skip any questions you do not wish to answer. Please let me know if you have any questions at any point during the interview. Lastly, do you verify that you are over the age of 18 and consent to participate in this study?

Appendix D

General Questions for Financial Advisors

1. In general, what has your experience been like working in the financial industry?
2. What made you want to go into the financial industry?
3. Where do you see communication fail within the financial industry?
    1. (When I say fail I mean people become concerned, feel like they are not being heard, etc.)?
4. Have you ever had an experience in which you lost a client or were essentially “fired” by one?
    1. Was the issue in this situation related to communication in any way?
5. How have you learned to be successful in the financial industry?
    1. What did you do to progress and where did you see areas you wanted to improve or change on throughout your career?
6. How has technology changed how you communicate to clients?
    1. Has it benefited your work as much as you would want?
7. Did you enjoy any parts of virtual work during the pandemic?
    1. In your experiences as a financial advisor, did you help reassure people during the pandemic?
8. How much do you think your personality has to do with your success?
    1. What aspects of it have helped in the career?
    2. Is it helpful in the financial industry if clients' personalities are similar to yours?
9. I read previously that storytelling can be essential for financial advisors. How do you feel about this statement?
10. In your experience, why kinds of things do you do or say to help clients feel that you are trustworthy?
11. What advice do you have for young financial advisors?