

Contributions

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A Snapshot View of the Help-Seeking Market

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Some observers of the financial planning profession have argued that the maturing of America, in terms of age and wealth, will cause a radical change in the planning industry. For example, Jeffrey Rattiner (2000) has argued that the needs of clients in the future will be significantly different than the needs of clients today. If Rattiner is correct, this means that the source and type of clients seeking help from professional planners may also be quite different in the future. Additionally, it is likely that planners who fail to reach out beyond traditional sources of clientele will find themselves at a competitive disadvantage as socioeconomic factors change in the future. Ultimately, the growth of any financial planning practice in the future will rest on a planner's ability to simultaneously improve current client outcomes and increase the recruitment of new clients, especially those who have been underserved by the financial planning profession.

The purpose of this paper is to describe a market niche that is currently underserved by financial planners. This paper

This paper provides a profile of the help-seeking behaviors of university faculty and staff who have sought help for financial issues. The authors explore why those who work in academia seek help, where faculty and staff turn for help and how effective financial planning help is perceived. It was determined that the most popular sources of help included the Internet, friends and relatives, employers, magazines and other non-professional sources. Professionals, including financial planners, provided the most useful forms of help. It was concluded that financial planners were effective in helping clients improve their attitudes, confidence, knowledge and skills. It was also determined that financial planners were the one source of help that respondents would be most likely to recommend to a friend or family member.

provides financial planners with a profile of the help-seeking behaviors of university faculty and staff who have sought help for financial issues. This paper also reviews why those who work in academia seek help and where faculty and staff turn for help with financial planning questions. The perceived effectiveness of financial planning services from the perspective of university faculty and staff is also presented. It is hoped that the information provided here will help financial planners understand, in a more definite manner, the motives and actions of those employed in academic settings in relation to financial planning issues and concerns. The information provided is intended to help financial planners market their services to those individuals who may not otherwise have sought the help of a professional.

University Faculty and Staff: An Underserved Market

An obvious, but underserved, market for financial planning services exists among university faculty and staff (Fields 1996). Consider the demographic trends among this group. University and college faculty hold roughly 865,000 positions in the United States. Seventy percent of faculty work full time, and most work for public institutions. The median annual earnings of university and college faculty, based on 1998 Department of Labor statistics, is \$46,630, with the highest ten percent earning more than \$90,000 a year. Earnings are significantly higher for faculty who teach in business, engineering, law and medicine. Most faculty also supplement their earnings from consulting, writing and research activities.

Staff members are employed in large numbers in order to support the teaching and research functions of the typical university or college. Unlike teaching faculty who usually must possess at least a master's or Ph.D. degree, support staff may be employed with a college or high school diploma. Staff positions are generally classified as support functions. Positions include research assistants, department secretarial staff and maintenance workers. While the salary level of staff is less than what a faculty member might earn, staff associates typically enjoy stable employment, collegial work environments and excellent benefits.

Demographic trends are coming to a climax as university faculty and staff grow older. Nearly one-third of full-time faculty in the United States are 55 years of age or older (Magner 2000). Many of today's senior faculty were hired in the 1960s and early 1970s to teach the waves of baby boomers entering college at that time. This cohort of faculty is now entering its sixties, which is the time that most academics begin to wind down their careers and focus more intently on financial planning issues. According to Magner, state universities and community colleges will experience significant faculty retirements in the decade to come. In fact, according to the National Education Administration (1996), the vast majority of university faculty and staff currently age 55 or older plan to retire well before age 70, with most planning to retire in their early sixties.

The Teachers Insurance and Annuity Association-College Retirement Equities Fund (TIAA-CREF) has long profited from the growing financial importance of university faculty and staff in terms of marketing financial planning services. TIAA-CREF recently reported that, of those faculty and staff who participate in TIAA-CREF, almost 64,000 had retirement account balances over \$500,000, over 34,000 had account balances exceeding \$750,000 and 32,000 had account balances

of \$1 million or more (Magner 2000). These figures do not include balances faculty may have vested in traditional defined benefit plans, self-employed defined contribution plans or other savings.

University faculty and staff are becoming an increasingly powerful financial force. The significance of this fact will become even more obvious as waves of faculty and staff begin to retire. Arden (1996) noted that faculty and staff included in the baby boomer cohort will face uncertainties related to their investments and potential lower realized rates of return in the future. These uncertainties are the result of changes in anticipated asset returns and the inexperience of many faculty and staff in managing assets. These concerns are echoed in the halls of academia. Numerous university faculty and some staff have accumulated large sums in their defined-contribution plans. While this financial trend has prompted some academics to think about early retirement, there are indications that some within the academic community feel overwhelmed with the responsibilities of managing such large account balances. As Magner (2000) suggests, stress may be associated with accumulated wealth when faculty see so much of their net worth tied to fluctuations in the stock market.

Demographic and economic trends that may cause some worry and stress in the lives of university faculty and staff may also present an opportunity for financial planners. As stated above, this market segment has tended to remain underserved by the financial planning profession. This is probably the result of faculty, in particular, being less than proactive in seeking help and a perception among planners that, as a target market, the income and wealth of university faculty and staff was too low. The result is that many instructors, researchers and support staff are managing their assets, planning for retirement and navigating financial pathways without the

help of professional planners. Britt (1998) concluded that "when it comes to financial planning, many consumers ignore much of the advice available from bankers and other financial experts, and instead rely on the workplace as their source of financial knowledge" (Britt p. 54). This is a model followed by a large number of individuals employed within university and college settings.

The Theory of Financial Help-Seeking Behavior

Financial help-seeking is operationally defined as an action by an individual to seek and use the assistance of a secondary source when dealing with a personal finance issue, problem or objective. Theory suggests that individuals are proactive in seeking help for a problem, issue or question (Lee 1997). The source of help can be informal (such as family or friends) or formal (such as an attorney or planner). The choice of help-provider tends to be influenced most directly by factors such as a person's age, education, income and self-esteem. For example, those who seek help from professionals tend to be younger and better educated (Joo and Grable 2001). Those with less income and lower levels of self-esteem (self-worth) tend to seek help from non-professionals (Banerjee and Suparna 1998).

The first step in retaining current clients and recruiting new underserved clients involves understanding the dynamics of the financial planning help-seeking market. The help-seeking marketplace is defined as those individuals, families and small-business owners who have sought, or will seek, help for a financial planning issue, concern or question. University faculty and staff, as a cohort, are certainly included in this definition. Help seekers have many alternatives when it comes to selecting help providers. Obviously, financial planners, insurance professionals, brokers, bankers and attorneys

TABLE 1

Comparison of Help Seekers and Non-Help Seekers

Characteristic	Percent/Mean Help Seekers	Percent/Mean Non-Help Seekers
Gender (Men)	44.80%	45.80%
Age	43.12	43.10
Marital Status (Married)	66.22%	59.78%
Ethnic (White)*	90.99%	82.58%
Household Income*	\$56,850	\$46,897
Education (College or Above)	66.37%	57.54%
Household Size	2.67	2.48
Occupational Status (Professional)	60.50%	56.20%
Housing Status (Owners)	73.42%	71.51%

*Statistically significantly different at the $p < .05$ level.

come to mind as help providers, but there are other sources of help that are used more frequently by help seekers. These sources of help may include family, friends, co-workers, the Internet, magazines and television shows (Britt 1998, Topkis 1999).

There are several reasons why financial planners should be interested in help-seeking theory and research. To begin with, financial help-seeking research can help identify important factors that lead to increased financial well-being. This type of research also can provide information that can be used to offer insights into why some individuals are more successful in meeting their financial goals than others. Help-seeking research can be used to substantiate the assertion that those who seek and use professional help tend to have better financial outcomes than others (DeVaney, Gorham, Bechman and Halde-man 1995). Results and conclusions for help-seeking studies can indicate both the reasons and outcomes of help-seeking behavior. As such, financial planners have a vested interest in monitoring research that shows the significant and positive impact of professional planning efforts, as contrasted against self-help and non-personal forms of help.

Help-seeking research is also of interest from a practice management perspective. Research can be used to better understand the demographic, socioeconomic, psychological and personality attributes of current and potential clients. These insights can then be used to conduct business-building relationships. Finally, help-seeking research can be used to specify the motives and behaviors of those who have not sought the help of a planner. As the financial planning market matures, an astute planner will want to know why certain individuals have or have not sought help, where target market clients are currently receiving advice, and how underserved potential clients can be captured.

Research Methodology

The following discussion highlights the methodology and findings from a recent study that was undertaken to better understand the attitudes, behaviors and outcomes of university faculty and staff who sought help for a financial question or concern. A special emphasis will be made to compare those who sought help from non-professional sources with those who sought help from a practicing financial planner. A dis-

cussion of the results follows the presentation of research findings.

Sample. Participants in this study were selected from a sample of faculty and staff from two large midwestern universities. Those included in the sample were chosen, at random, from university directories. Of 1,000 surveys originally distributed, 478 were returned. Eighteen surveys were returned as nondeliverable and 54 were incomplete, leaving 406 useable returned surveys. This resulted in a useable response rate of 41.3 percent.

The average age of sample respondents was 43.2 years. The majority of subjects (54 percent) were female and 63 percent were married. Almost two-thirds of respondents (63 percent) held an undergraduate degree or higher, and the majority (92 percent) were employed full time. Of those who were employed, 55 percent described their occupation as professional, technical or educational. About 87 percent of respondents were Caucasian, with the remainder being African-American or Hispanic/Latino. The average household income of respondents was \$52,480, with a standard deviation of \$27,470. Finally, 72 percent of respondents reported owning their own home (with or without a mortgage). These sample demographics matched closely with national university faculty and staff profiles as described by the Bureau of Labor Statistics (2001).

The help-seeking measure. The criterion for determining help-seeking behaviors was based on a sequence of questions. The process began by asking respondents, "Over the past 12 months, have you sought information or advice about a personal finance question, problem or issue?" Each respondent who answered in the affirmative was then asked a series of questions about the source, frequency and usefulness of help sought. Of the 406 respondents in this sample, 224 answered yes to the initial help-seeking question and as such, these 224 respondents were classified as general help seekers.

Results

Help seekers compared with non-help seekers. A comparison of the demographic and socioeconomic characteristics of non-help seekers and help seekers was conducted. Results are provided in Table 1. It was determined, using chi-square statistics and t-tests, that there were no significant differences between help seekers and non-help seekers in terms of gender, age, marital status, education, household size, occupational status or housing status. There were, however, significant differences between help-seeking groups in terms of ethnic and racial background and household income. Whites tended to seek help more than others, while those with higher household incomes also tended to be more likely to seek help. Keep in mind that Table 1 only indicates a person's decision to seek help. The table does not indicate the reason one might have sought help or the type of help-provider sought.

Frequency of help use. Table 2 shows the type and frequency of financial help used by those classified as help seekers (N = 224). As shown in the table, friends and relatives, employers, magazines, newspapers, the Internet and books were used relatively more often. Services provided by financial counselors, attorneys, stockbrokers, bankers and accountants were used less often. Few respondents indicated using the services of a financial planner more than occasionally. The largest number of help seekers reported that they often sought help from the Internet (14 percent). This was followed by newspapers and books. On the other hand, the majority (83 percent) of help seekers did not use services provided by financial counselors.

Usefulness of help provided. Table 3 reports the source, frequency and usefulness of financial help used by help-seeking respondents in this research. Table 3 ranks each source in terms of usefulness using the following scale: 1 = not useful at all; 2 = somewhat useful; 3 = fairly useful; and 4

TABLE 2
Source and Frequency of Financial Help
for Respondents (N = 224)

Source	Frequency		
	Never	Occasionally	Often
Friend or Relative	28%	63%	9%
Employer	37%	58%	5%
Magazines	34%	57%	9%
Newspapers	39%	49%	12%
Internet	39%	47%	14%
Books	41%	47%	12%
Insurance Agent	55%	42%	3%
Work Colleague	53%	42%	5%
Television	50%	41%	9%
Financial Planner	58%	38%	4%
Tax Professional	62%	36%	2%
Accountant	65%	33%	2%
Banker	62%	32%	6%
Software	73%	22%	5%
Stockbroker	74%	20%	6%
Attorney	79%	17%	4%
Financial Counselor	83%	15%	2%

= very useful. A "does not apply" category was also provided. Professional sources of help, including accountant, attorney, tax professional and financial planner ranked high in terms of usefulness from those who occasionally or often used help.

Reasons for seeking help. Table 4 indicates the most common reasons why respondents sought help. By far, the most commonly sought type of help involved retirement planning. This was followed by investment planning and tax planning. Other issues, such as managing credit and loans, estate planning, college planning and working through a consumer problem, were less likely to be the reason someone sought help.

Assessing the effectiveness of help providers. Table 5 provides the mean and standard deviation scores for help-seeking

respondents to a set of outcome assessment questions. These questions were used to assess changes in respondents' financial attitudes, knowledge, confidence and skills after receiving help from a primary provider. (A primary provider was defined as the single source of information or advice that respondents considered to be their "primary" source of help when dealing with a financial question, problem or issue.) Responses were coded 4 if a respondent strongly agreed with the statement, 3 if they tended to agree, 2 if they tended to disagree and 1 if they strongly disagreed. Thus, a higher mean score indicated a higher level of agreement with the statement. The results suggest that respondents either tended to agree, or strongly agree, that their financial knowledge had increased after receiving help. To a lesser

TABLE 3

Source, Frequency, and Usefulness of Financial Help for Respondents (N = 224) Ranked by Usefulness

Source	Never	Occasionally	Often	Usefulness Score 1: not useful at all 2: somewhat useful 3: fairly useful 4: very useful
Accountant	65%	33%	2%	3.36
Attorney	79%	17%	4%	3.16
Tax Professional	62%	36%	2%	3.15
Financial Planner	58%	38%	4%	3.09
Software	73%	22%	5%	2.87
Banker	62%	32%	6%	2.84
Internet	39%	47%	14%	2.82
Books	41%	47%	12%	2.76
Insurance Agent	55%	42%	3%	2.76
Stockbroker	74%	20%	6%	2.76
Friend or Relative	28%	63%	9%	2.72
Financial Counselor	83%	15%	2%	2.63
Employer	37%	58%	5%	2.61
Magazines	34%	57%	9%	2.57
Newspapers	39%	49%	12%	2.55
Television	50%	41%	9%	2.45
Work Colleague	53%	42%	5%	2.41

extent, respondents also felt more confident in their abilities to manage personal finance situations.

Assessing the effectiveness of financial planners. Two steps were taken to evaluate the overall effectiveness of financial planners as help providers. The first step consisted of evaluating assessments of financial planners by those respondents who indicated that a planner was their primary help provider. The second step involved comparing the outcomes of those who sought help from financial planners with other help seekers. Table 6 indicates the mean and standard deviation scores for the same outcome assessment questions presented above; however, in this case, scores represent attitudinal scores of those who indi-

cated that their primary help provider was a financial planner. The mean scores for all evaluation items were higher than those for the entire help-seeking group. Overall, the effectiveness of financial planners in improving attitudes, knowledge, confidence and skills was rated highly by respondents.

Step two in assessing the effectiveness of financial planners involved testing for significant differences in self-evaluations between those who sought help from financial planners and those who sought help from other sources. Table 7 shows the results of these tests. In general, those who received help primarily from a financial planner tended to evaluate their financial outcomes as higher than those who sought help from other sources. Specifically, the

TABLE 4

Reported Reasons for Seeking Help

Reasons for Seeking Help	Percent
Retirement Planning	74%
Investment Planning	57%
Tax Planning	39%
Understanding Employee Benefits	28%
Purchasing Insurance	25%
Getting out of Debt	23%
Purchasing or Selling a Home	21%
Budgeting	20%
Managing Credit and Loans	18%
Estate Planning	17%
College Planning	17%
Increasing Income	10%
Other Reasons	10%
Working Through a Consumer Problem	1%

clients of financial planners tended to be more confident that they were investing wisely. They also exhibited more confidence about their financial future.

Whom do clients recommend to other help seekers? Financial planners came out ahead when all of the help-seeking respondents (N = 224) were asked to recommend to a close friend or family member the single best source of financial help available. Approximately 24 percent of all respondents recommend the services of financial planners. This was the highest percentage indicated for any of the help providers. The most noteworthy result occurred when this same question was given to those respondents who used financial planners as their primary help provider. In this case, 87 percent of respondents recommended financial planners. These results suggest that those faculty and staff who indicated a financial planner as

TABLE 5

Self-Assessed Situation After Receiving Help

Self-Evaluation	Mean/ Standard Deviation	Strongly Agree	Tend to Agree	Tend to Disagree	Strongly Disagree
Overall, I am more confident in my abilities to manage my personal finances.	3.15/.68	29.1%	60.0%	8.2%	2.7%
Overall, I am confident that I am investing wisely.	2.91/.79	20.8%	57.0%	15.4%	6.8%
Overall, I am confident about my financial future.	2.96/.81	24.7%	53.8%	15.7%	6.3%
Overall, my financial knowledge has increased.	3.22/.65	32.6%	58.8%	6.8%	1.8%
Overall, my financial worries have decreased.	2.77/.86	18.0%	56.5%	21.6%	9.9%

their primary help provider tend to be very satisfied and willing to recommend professional planning services to others.

Other sources of help that respondents would recommend to family members included stockbrokers, bankers and the Internet. Overall, respondents indicated that among the sources of information and advice asked about in the survey, the least likely to be recommended included television, magazines, books, and friends and relatives.

Summary

The purpose of this paper was to provide financial planners with a profile of the help-seeking behaviors of university faculty and staff. This paper also reviewed why those who work in academia seek help and where faculty and staff turn for help with financial planning questions. The perceived effectiveness of financial planning services also was examined. The following discussion relates findings to these objectives.

First, it was determined that the profile of a help-seeker is similar to that of a non-help-seeker in terms of gender, age, marital status, education, household size, occupational status and housing status. On the other hand, those who were more likely to seek help (from any source) tended to be white/Caucasian and those with higher levels of household income. This implies

TABLE 6

Self-Assessed Situation After Receiving Help from a Financial Planner

Self-Evaluation	Mean/Standard Deviation
Overall, I am more confident in my abilities to manage my personal finances.	3.26/.51
Overall, I am confident that I am investing wisely.	3.28/.55
Overall, I am confident about my financial future.	3.34/.60
Overall, my financial knowledge has increased.	3.25/.51
Overall, my financial worries have decreased.	3.06/.62

TABLE 7

Self-Assessed Situation of Different Sources: Financial Planners Compared with Other Sources

Self-Evaluation	Mean Score for Those Who Used Financial Planners	Mean Score for Those Who Used Other Sources
Overall, I am more confident in my abilities to manage my personal finances.	3.25	3.18
Overall, I am confident that I am investing wisely.*	3.28	2.89
Overall, I am confident about my financial future.*	3.34	2.93
Overall, my financial knowledge has increased.	3.25	3.26
Overall, my financial worries have decreased.	3.06	2.76

*Statistically significantly different at the $p < .05$ level.

that, in general, non-whites and those individuals in households with low to moderate levels of income are more likely to work through financial planning issues, questions and concerns by themselves or not at all. They are less likely to seek the help of anyone, including a professional financial planner. It is no surprise that the cohort of less affluent and low-income blue-collar workers is also the profile of the most widely underserved financial planning consumer (Britt 1998).

It was then determined that of those respondents who sought help with a personal finance issue ($N = 224$), the most popular sources of help included the Internet, friends and relatives, employers, magazines and other non-professional sources. However, when asked about usefulness, respondents indicated that professionals, including financial planners, were found to be the most useful sources of help.

The most common reasons stated by respondents for seeking help included retirement planning, investment planning and tax planning. To a lesser extent, respondents sought help for a better understanding of their employee benefits, purchasing insurance and getting out of debt. Few respondents indicated seeking help for increasing income or working through a consumer problem.

Finally, it was concluded that financial planners were effective in helping clients improve their attitudes, confidence, knowledge and skills. Those who sought the help of a professional financial planner tended to evaluate their financial outcomes as higher than others. They also tended to be more confident in terms of investing and their financial future. It was also determined that financial planners were the one source of help that respondents would be most likely to recommend to a friend or family member. This was true of both those who stated that their primary help provider was a financial planner and those who indicated someone else. These findings reflect posi-

tively on the work conducted by financial planners.

While the research presented in this article provides planners with a snapshot of a portion of the help-seeking market, more research is needed in the area of academic help-seeking behavior and help-seeking tendencies in general. Specifically, research using different samples of U.S. households is needed to explore how faculty and staff differ from other client groups. Further research should also attempt to explore other differences between help seekers and non-help seekers to better understand non-help seekers who might benefit from financial planning services.



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