



The value of professional financial advice for consumers in a crisis:

Experiences of financial advisers during the COVID-19 pandemic

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Executive summary

Background

The value of financial advice is often argued to be demonstrated by long-term benefits, such as advice improving the likelihood of achieving financial and personal goals and protecting against downside risks and other ills. There is no better time to put these assertions to the test than in a global crisis like the COVID-19 pandemic.

A crisis is a stressful or hazardous event or series of events that leads to considerable upset and disruption to the extent that familiar coping strategies may be ineffective. Individuals' perceptions of and ability to manage their situation, including their access to resources, means that some may cope effectively, while others enter a state of crisis. Resources can include professional advice which is particularly useful when task complexity increases. However, the decision-making literature shows that decision-makers often conduct their own information search on the decision task and expert before engaging their services or trusting their advice (Schrah et al., 2006). Thus, in a crisis situation where emotions and stress levels are elevated and critical decisions need to be made, those who have an existing relationship with a trusted professional are more likely to have the ability to react swiftly and appropriately when faced with decision-making under increased uncertainty.

Crisis intervention reduces harm by removing vulnerabilities, building or rebuilding coping and problem-solving abilities, providing emotional support and developing an action plan to buffer against similar future situations (Roberts, 2005), thus we can interpret the role of the financial adviser as a crisis intervention role. The design of crisis intervention varies with differences in the levels of intensity and duration of various crises, the individuals' reactions to a crisis, and those providing the crisis intervention. Financial advisers regularly find themselves working with clients experiencing multiple crises simultaneously (both personal and market-wide), and often multiple times over the course of their client-adviser relationship. Their role is complex, particularly when financial advisers may not be trained to face health crises like nurses, doctors and first responders, or social crises such as divorce, death of a loved one or loss of employment, like psychiatrists, psychologists, counsellors, and social workers.

Scope

The significant economic, health and personal impacts across the community of the COVID-19 pandemic offers the opportunity to examine the nature of professional financial advice in a crisis compared to non-crisis norms and the financial and non-financial outcomes for consumers. This report investigates:

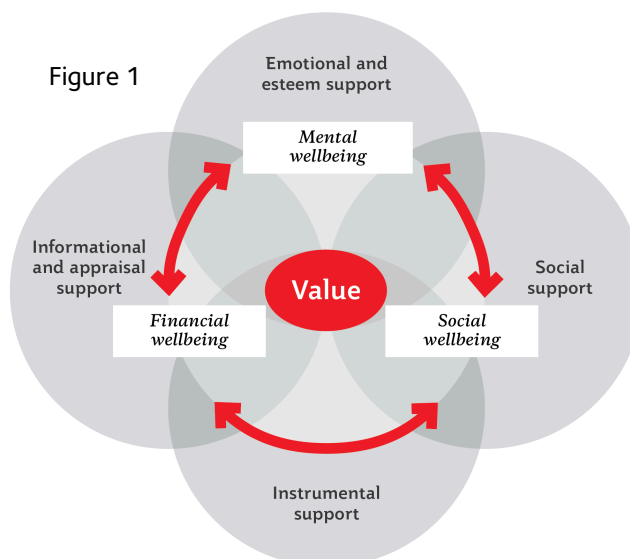
- how financial advisers respond to new and existing client demands during a crisis;
- the role of the client-adviser relationship in enhancing value for the client in a crisis situation and whether an established relationship better prepares clients for a crisis; and
- whether financial advisers perceive the value of advice to clients to be different during times of crisis, and, if so, how.

This research provides insights into the value of professional financial advice to consumers experiencing a crisis, as perceived by 21 Australian financial advisers surveyed and interviewed at the height of the first wave

of the COVID-19 pandemic in 2020. This is the second stage of a broader study investigating the value of professional financial advice to clients which will be extended in the future to explore clients' perspectives and their financial data. This research highlights that the COVID-19 pandemic was not as impactful a crisis for long-term advised clients compared to other crises or to non-advised clients because they were prepared to avoid emotionally driven decisions and to stay on track to achieve their financial and lifestyle goals. Forced changes to operations during COVID-19 through adoption or extension of technology posed challenges to establishing new relationships and providing in-person comfort when clients most needed it, but technology offers significant opportunity in terms of time and cost savings beyond the current crisis.

New conceptual framework

Personal finance is an emerging profession and the body of knowledge to support the profession also requires development. Thus, without an existing framework established in the literature for financial advice in a crisis, a key outcome of this project is a conceptual framework of financial adviser actions and client outcomes (see Figure 1). This framework was developed through the iterative process of coding and analysis of participants' responses to interview and survey questions and the identification of themes closely related to the constructs featured in social support theory. We argue that financial advisers' support can moderate a client's perception of general life or financial stresses and reduce or eliminate the client's adverse reaction to the situation and in turn impact the interconnected financial, mental, physical and social outcomes of client wellbeing. While not all types of support are necessary, clients receive the greatest value from professional financial advice when financial adviser actions across all social support domains align to address the holistic wellbeing of the client.



Key findings

- The value of advice was perceived to be greater during a crisis due to the comfort provided by having a financial adviser to provide reassurance and strategic advice to support better decision-making.
- The provision of emotional and esteem support was considered a vital first step in the advice process, to further build trust and reinforce connection with clients to provide them with the mental space to deal with the decisions to be made.
- It was generally agreed that extra emotional support was required during personal crises, such as loss of a loved one or job loss, rather than a public or global crisis, such as the COVID-19 pandemic, where everyone is experiencing a similar financial phenomenon.
- As part of a continual education process, proactive client engagement during the COVID-19 pandemic was used to convey the normality of market fluctuations and outline information or policy changes specific to the pandemic. Clients were reported to feel more informed and reassured and were observed to panic less and maintain behaviours consistent with their long-term goals, such as investing to take advantage of the downturn.

- Financial advisers providing secondary services, such as liaising with Centrelink and insurance companies, was reported to reduce the mental load carried by clients in a crisis and free up clients' time, providing them space to grieve and heal. Stronger client relationships were also reported to enhance an adviser's ability to identify the need for a third-party referral.
- Strategic advice during a crisis was valuable in and of itself, but trust within the client-adviser relationship had a significant impact on the application, conveyance and assimilation of that technical knowledge.
- New clients seeking advice for the first time or returning to an adviser after a period of no advice were perceived as more anxious during the current crisis and requiring more support than long-term advised clients, especially compared to clients that had previous exposure to the advice process with their adviser during previous crises.
- The relationship long-term advised clients have with their adviser was reported to increase the value of advice through reducing stress and increasing resilience associated with regular maintenance of a financial plan, prior education and behavioural coaching, and reassurance during a crisis.
- The social support associated with strong client-adviser relationships was beneficial for clients because financial advisers reported they better understood long-term clients' needs and objectives and were better able to identify changes in their behaviour and risk tolerance.
- The lack of in person contact with clients during the pandemic presented additional challenges in terms of building relationships and securing agreements with new clients, however, technology provided efficiencies in terms of cost to serve and ability to provide timely advice.

Conclusions

Financial advisers play an important role during periods of crisis. The long-term value of advice for clients in ongoing advice relationships was demonstrated with both a lesser crisis response and more confidence in goal achievement. Advised clients were reported to be in a better financial and behavioural position to buffer stress or to take advantage of the adverse events. While advisers engaged with new clients where possible, the ability of some previously unadvised clients to obtain assistance in the middle of a crisis was challenging. The COVID-19 pandemic highlighted a lack of preparedness for such situations and the difficulty some consumers have in effectively self-managing their financial affairs in the long run. This reinforces the need to continue to pursue the agenda set out by government and the sector of rebuilding consumer trust and confidence in the financial advice profession as this may lead to more consumers accessing advice in a more timely manner. Despite the substantial personal and economic costs of the COVID-19 crisis, the silver lining for the financial advice profession (and their clients) is the apparent increase in recognition of non-advised consumers of the need to seek support and the advances made in terms of business practices regarding uptake of technology to provide access and efficiency.

1.0 Introduction

The emerging financial advice profession has faced significant challenges in recent decades. Marred by scandals and seemingly never-ending legal and regulatory actions against individuals and businesses, professional financial advice continues to be distrusted by many in the broader community. In the most recent Image of Professions Survey, financial planners were ranked 25 out of 100 for their ethics and honesty; in comparison, stockbrokers were ranked at 11, accountants at 50 and nurses at 94 (Roy Morgan Research, 2017). The Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry reinforced negative community sentiment, demonstrating just how much change is still needed. Even so, the underlying need for consumers to have financial advice could not be clearer. The powerful forces of the aging population, increased longevity, consumerism, and high debt levels when coupled with low savings rates, low financial literacy and high financial product complexity create a difficult maze for consumers to navigate. Add to this the low inflation, low growth, low interest rate, global economy and one could argue there has been no better time for an advice profession to emerge to serve the community. Then came the declaration of a global pandemic.

The COVID-19 crisis is said to be a once in a century event with the world having experienced nothing like it since the Spanish Flu pandemic over 100 years ago. Despite the obvious advances in medicine, health systems and technology in general, COVID-19 has been terribly impactful with, at the time of writing, over 170 million cases and over 3.6 million deaths worldwide (Dong et al., 2020). Comparatively, Australia has been less impacted than other regions of world, appearing to be advantaged by sea borders, a modern health system, and swift action to close borders from impacted regions. However, this makes the loss of life no less impactful for the many families that have lost loved ones. Economically, the crisis has been disastrous, sending Australia into a recession as deep as that of the Great Depression in the 1930s. The economy shrank 7% in the June quarter 2020, the biggest collapse on record, leading to the government spending hundreds of billions of dollars on stimulus measures as businesses were shut down and consumer expenditure declined as lockdowns took hold (Janda & Laska, 2020). Pressure has been placed on household budgets as employment declined in a range of sectors, including reduced hours as well as job losses. Investment returns also declined, with capital markets falling 36% from the 2020 peak to trough, but have since recovered.¹

The economic shock caused by the pandemic understandably rocked the confidence of households and began testing the resilience of their personal finances. Images of long lines of people at social security offices, reports of significant take up of special superannuation access schemes and mass take up of loan repayment holidays further paint the picture of impact and highlight the direct disruption of this crisis on household finances. It is therefore also no surprise that the household savings ratio rose dramatically to almost 20% (compared to 10.9% in the Global Financial Crisis (GFC)) (Martin, 2020) as households became more risk averse and sought to build, or add to, liquidity as uncertainty and fear spread. It is therefore reasonable to assume that consumers may, during such a crisis, seek advice from a trusted professional in relation to their household finances and plans, including significant issues such as investment performance and planning, liquidity, superannuation withdrawals and pension management.

¹ The ASX 200 high was 7163 on 21 February 2020 while the low was 4546 on 24 March 2020 (Rickard, 2020).

We therefore posit that the crisis represents an opportunity for the financial advice sector to demonstrate its importance and provide the trusted, supportive, timely advice that is needed. This raises a set of empirical questions in relation to:

1. how financial advisers (FAs) respond to new and existing client demands during a crisis, in terms of operationally servicing their needs;
2. the role of the client-adviser relationship in enhancing value for the client in a crisis situation and whether an established relationship better prepares clients for a crisis; and
3. whether FAs perceive the value of advice to clients is different during the COVID-19 pandemic and times of crisis more broadly, and, if so, how.

This report seeks to address these questions through the lens of the value of financial advice services as perceived by FAs during the COVID-19 pandemic. To this end, we survey and interview FAs from across Australia in different business models in relation to the interactions they had with clients during the crisis. Importantly, this data gathering exercise was undertaken “in the eye of the storm” during the months of May–June in 2020 and thus collects information on the contemporaneous client–professional relationships and interactions during this time. We find that the COVID-19 crisis highlights the significant impact of the client–adviser relationship across a range of dimensions of wellbeing. Existing clients sought reassurance in a variety of areas of financial advice, but relative to new clients seeking advice for the first time or returning to a FA after a period of no advice, FAs experienced less panic and concern from existing clients with established financial plans. Overall, the finding that the client–adviser relationship built up over time leads to positive wellbeing outcomes which remain relatively stable even through a global pandemic supports a more sophisticated view of financial advice as a profession. We therefore argue that this report contributes to the literature on financial advice and professions in general, particularly in a crisis, and maps out the value proposition of professional financial services and how these can adapt to support clients, both existing and new, even in the most difficult of times. This study also highlights the role that an enhanced and more trusted financial advice professional can play in building a sustainable community and economy in the post crisis world.

The remainder of this report is set out as follows. The next section provides a brief review of the crisis literature and the value proposition of the financial advice profession. This is followed by a summary of the research method and conceptual framework in sections 3 and 4 and the results presented in section 5. Section 6 provides a discussion of the results with section 7 providing concluding comments and future research directions.

2.0 Background literature

In order to understand the value of professional financial advice in a crisis, we can draw from multiple disciplines in the literature to unpack the nature of a crisis, the role of advice and FAs in a crisis, when and why people seek advice in a crisis, and the impact of advice on wellbeing during a crisis and beyond. Roberts (2005, p. 12) describes a crisis as occurring when “a person faces an obstacle to important life goals that generally seem insurmountable through use of customary habits and coping patterns”. This description of a crisis focussing on challenges to an individual achieving goals is particularly relevant to FAs who work with clients to identify financial and lifestyle goals and design strategies to achieve them. As demonstrated by Table 1, while multiple definitions of what constitutes a crisis exist in the literature, a key theme is the

subjective nature of a crisis. While a stressful or hazardous event, or series of events, is a pre-condition for a crisis, two other conditions are thought to be necessary for a crisis to eventuate; (a) a perception that the event(s) will lead to considerable upset and disruption; and (b) an inability to resolve the disruption using familiar coping strategies (Cutler et al., 2013). The same traumatic event experienced by two people may therefore lead to one person entering a crisis state, while the other may experience a manageable amount of stress and cope in a positive way. The differences in reaction to a crisis are driven by an individual's perception of the situation or event, their level of resources and their ability to utilise traditional coping skills.

There are a variety of crisis inducing events we experience as individuals, families and communities throughout our lives. Crisis events vary in their intensity and duration (Roberts & Dziegielewski, 1995). Some crises impact directly on one individual or family (a personal or private crisis), such as divorce or the loss of a loved one. Others are a widespread event that impact many members of the community (a public crisis), such as the GFC or COVID-19. Crisis events can also have indirect impacts. For example, while some crises are financial in nature and have direct economic implications, others are non-financial in nature but have flow-on economic impacts. For example, the financial fallout from needing to resign from employment due to childcare or relationship or health issues, or in the case of the current COVID-19 crisis, job and income loss due to workplace shutdown as a result of the disease prevention controls.

During the pandemic, regulators in Australia introduced rapid regulatory change to improve access to affordable advice for consumers facing the trade-off between surviving with reduced income and temporary early access to superannuation funds. Anecdotal evidence suggested, however, that there was little uptake in advice and superannuation funds were being used for purposes other than fundamental household needs. Like previous studies exploring financial coping behaviours (Varcoe, 1990; Voydanoff, 1984), O'Neill and Xiao (2012) found evidence of a financial crisis providing motivation to make positive financial behaviour changes and to use financial coping methods, with budgeting and saving increasing, but also spending. Similarly, during COVID-19 the overall savings rate increased, but there is also evidence of households juggling bills and increased withdrawals from savings. Nonetheless, despite prior research showing that some crisis management may be undertaken without seeking professional financial advice, the scale and volume of the up to \$10,000 withdrawals from Australian superannuation funds is of most concern. Given that uninformed decisions during a crisis can create economic instability for households and the economy, Finke et al. (2011) contend that the community should support professional financial advice to improve household decision-making.

Table 1. Definitions of crisis

Author	Crisis definition
Anthes and Lee (2002)	"...significant life-changing events that can throw people into sometimes traumatic states of transition." (p. 76)
Bard and Ellison (1974)	"...subjective reaction to a stressful life experience, one so affecting the individual that the ability to cope or function may be seriously compromised." (p. 69)
Dykeman (2005)	"...a crisis represents an unanticipated event during which coping mechanisms are temporarily compromised and adaptive living is jeopardized." (p. 45)
Enander (2010)	"Crises mean a decisive turning point or radical change of the prevailing order. In our linguistic usage, the term crisis is used to refer to negative, decisive turning points." (p. 15)
Fiksenbaum et al. (2017)	"Financial threat is defined as fearful-anxious uncertainty regarding one's current and future financial situation." (p. 128)
Fink (1986)	"A crisis is an unstable time or state of affairs in which a decisive change is impending – either one with the distinct possibility of a highly undesirable outcome or one with the distinct possibility of a highly desirable and extremely positive outcome." (p. 15)
Gilbert and Lauren (1980)	"[Crises] occur suddenly, demand quick decisions by leaders under intense pressure, threaten vital interests, and raise enormous uncertainties about war and peace." (p. 642)
Heo et al. (2017)	"Financial stress is a psychophysiological response to the cognition of imbalance, uncertainty, and risk in the realm of financial resource management decision making." (p. 5)
Hermann et al. (1978)	"...a crisis is a situation that poses a major threat to one or more goals or other values of the group experiencing the crisis... In addition to threat, a crisis is characterised by shortness in the perceived time available for decision." (p. 2)
Keown-McMullan (1997)	"...for a situation to develop into a crisis three elements must be present: a triggering event causing significant change or having the potential to cause significant change; the perceived inability to cope with this change; and a threat to the existence of the foundation of the organization." (p. 4)
Kimenyi and Mwabu (2007)	"A crisis is characterized by an unfavourable state of instability or disequilibrium, i.e., by a large negative deviation from the normal state of affairs. The instability can occur gradually, as when a country slips into deep poverty due to decades of economic mismanagement; or it can occur suddenly, as when for example, a country is hit by a negative external trade shock (e.g., a fall in the price of a major export good) or by a natural disaster such as bad weather or earthquake." (p. 11)
Roberts (2005)	"A crisis can be defined as a period of psychological disequilibrium, experienced as a result of a hazardous event or situation that constitutes a significant problem that cannot be remedied by using familiar coping strategies." (p. 12)

This table presents definitions of a crisis from across a broad sample of crisis and interdisciplinary literature over time (1974–2017) to illustrate the complex nature of crises, including public and private and financial and non-financial crises, those with direct and indirect impacts and varying durations and intensities of crises. Some of the definitions also highlight the nature of a crisis response.

Many crisis events are managed by clergy, nurses, doctors, other first responders, psychiatrists, psychologists, counsellors, and social workers, but FAs also regularly work with clients experiencing one or more crises (of various types) over the course of their client-adviser relationship. However, unlike the other crisis trained personnel, the crisis intervention role of a FA is less well explored in the literature. Crisis intervention aims to reduce harm by removing vulnerabilities, building or rebuilding coping and problem-solving abilities, providing emotional support and developing an action plan to buffer against similar future situations (Roberts, 2005). Crisis intervention can reinforce strengths and protective factors for those who feel overwhelmed by a traumatic event. In addition, it aims to reduce potentially harmful situations and provides referrals to professionals or community agencies. The wide variation in an individual's abilities to cope with crisis situations and the different types, intensity and duration of crises, means crisis intervention looks different for different clients. The financial planning process includes a number of steps consistent with those of crisis intervention. The provision of a financial plan involves the strategies to be implemented to overcome issues presented by the crisis and achieve client goals. However, empirical evidence also shows the provision of emotional support (Australian Securities and Investments Commission, 2010; Moffatt et al., 2004), financial education (Ding et al., 2008; Rehl et al., 2017), and behavioural coaching (Brackertz, 2014) as benefits of professional financial advice, relevant to crisis situations.

In the immediate aftermath of a crisis, individuals are thought to be most willing to seek advice and intervention is thought to be most effective (Golan, 1978). However, motivation to seek advice and take action may rely on a discomfort-hope balance (Ripple et al., 1964), where "hope" is related to self-efficacy and perceptions of the ability to attain a goal(s) (Bandura, 1988). Thus, existing financial advice clients may be at an advantage in a crisis, having more of an understanding of what professional financial advice offers in terms of support for goal setting and achievement, particularly as existing clients already have goals and strategies to achieve them in place. The perceived quality of the information received during the crisis response, in the form of a situational assessment and advice on an action plan (Reynolds & Seeger, 2005; Steelman & McCaffrey, 2013), as well as demonstrations of emotional support, such as sensitivity, active listening and empathy (Fehr & Gelfand, 2010; Roberts, 2005), are argued to strengthen the client-adviser relationship, and thus also influence people to act on crisis information (Seeger, 2006). Consequently, in addition to the regular data gathering process and assessment of a client's needs and circumstances, a strong, long-term client-adviser relationship may be even more important than usual in the provision of professional financial advice in a crisis.

The decision of whether to seek professional financial advice has found to be driven by multiple interacting factors. Advice seeking is broadly agreed to be a function of financial attitudes and knowledge and social-demographic characteristics, with a long run value proposition of improved client financial wellbeing (Grable & Joo, 1999; Marsden et al., 2011). However, Marsden et al. (2011) acknowledge the difficulty highlighted by Kramer (2009) in measuring direction and causality of the impact of financial advice on wealth. Additionally, Bergstresser et al. (2009) and Jansen et al. (2008) highlight findings that FAs may instead act in their own interests and fail to significantly improve their client's financial wellbeing. Worse still is the claim that FAs play the role of an expensive "babysitter" for the wealthy who may perform better on their own (Hackethal et al., 2012). This raises concerns about advice quality and ensuring the potential benefits of professional financial advice are realised.

As experts, FAs play an important role in decision-making, but how individuals acquire information and the social context in which it is acquired is an under-researched area. Crises add additional stress and test an

individual's ability to cope over and above what may already be a complex financial decision-making process. While individuals are better off seeking expert or professional advice when task complexity increases, being told that an adviser (including outside financial advice) is an expert with good intentions is not sufficient for decision-makers to avoid their own information search on the decision task and the adviser. Additionally, social uncertainty will also rise if advice is of questionable quality, leading to the individual conducting more of a search to evaluate the quality of advice (Schrah et al., 2006). Thus, existing clients seeking advice from a trusted FA have the additional benefit of saving time on information search and reducing further uncertainty in decision-making, particularly important in a crisis when time critical advice is required and stress levels are already elevated.

Befitting this discussion of the crisis intervention role of FAs, Marsden et al. (2011) contend that FAs are like clinical psychologists whose services are intrinsically valuable. Employing data from the aftermath of a deep recession, they find that FAs encourage people to "examine their most basic desires and priorities, establish concrete goals, withstand (and even take advantage of) adverse events, and feel confident about their future" (Marsden et al., 2011, p. 641). Advised clients increased savings, but also increased their efforts to improve financial literacy (Marsden et al., 2011), which is known to improve individuals' resilience to macroeconomic shocks (Klapper et al., 2013). Such evidence motivates investigation of the value of professional advice in an economic and community crisis that extends beyond a financial impact, such as the COVID-19 pandemic, to evaluate financial and non-financial outcomes for consumers.

3.0 Conceptual framework

This report forms Stage 2 of a broader study investigating the value of professional financial advice to clients, including the value of advice over time and improving the understanding of financial service professionals' perspectives on the value of advice. In Stage 1, FAs and other financial service professionals were asked an open-ended survey question, "In your opinion, what is the value of financial advice to clients?" Overall, responses focused on the actions performed by FAs, including the provision of information, education and behavioural coaching. It was noted that the themes identified fitted closely with the constructs featured in social support theory. In particular, participants described physical actions or use of words as providing emotional support, the provision of tangible goods and services, providing facts or feedback on actions and educational messages which enhance financial literacy skills as well as validation of a client's actions to keep them on track.

Open-ended survey responses also indicated that FA's actions and client outcomes were intertwined. In many client facing areas, value is defined in terms of the client outcomes relative to cost to receive a service, but value can be analysed and communicated through describing the actions performed that generate value or by outlining the outcomes realised by clients (Porter, 2010). Stage 1 survey respondents discussed value in reference to the actions they performed more than they discussed the outcomes for clients. In addition, 39% of FAs self-reported and 54% were assessed by the research team to have difficulty in expressing value for clients. Stage 1 survey responses were typically short and open to interpretation, so it was difficult to develop a detailed understanding of the relationship between the different FA actions and client outcomes in terms of delivering value for clients. The Stage 1 findings raise the question of whether the difficulties FAs experienced in articulating value were because of the nature of FA actions and client value being multidimensional and interrelated.

Determining correlation and causation between adviser actions and client outcomes was not possible without client data. Thus, we propose a new conceptual framework that was developed as coding took place iteratively during the Stage 1 data analysis. The primary social support model on which the conceptual framework and Stage 2 analysis is based is the model developed by Cohen and Wills (1985). Table 2 (see next page) demonstrates the alignment of the key constructs of the Cohen and Wills (1985) and other social support models with models of help-seeking, including the use of experts or professional advice, advice-seeking and advice-giving theories, and crisis or coping theory. The more detailed qualitative analysis of FAs undertaken in Stage 2 during the COVID-19 pandemic provides the opportunity to further develop the conceptual framework and gain a deeper understanding of the value of professional financial advice. Stage 3 will focus on combining FA and client data and hypothesis testing.

Multiple disciplines have found positive relationships between social support and outcomes, including wellbeing and coping (Pierce et al., 1997; Schwarzer & Leppin, 1992) and mental and physical health observed in diverse populations (Resick, 2001). Yet, few studies have focused on the relationship between financial stress and social support (Åslund et al., 2014). Social support is particularly appropriate to apply to pandemic and crisis situations, given the connection to the crisis literature where crisis intervention involves the reduction of harm, increasing coping and problem-solving through emotional support and provision of an action plan to buffer stressful situations. However, since continuous social support also provides benefits to those not experiencing stress (Williams et al., 1981), such models also have application beyond a crisis. Table 3 (see page 9) provides the definitions of each type of social support and client outcome used in this report, including their application to financial advice.

Like applications of social support models in other disciplines, we hypothesise that the functional social support domains of 1) emotional and esteem support; 2) social support; 3) informational and appraisal support; and 4) instrumental support (Cohen & Wills, 1985), combine to moderate the client's perception of general life or financial stresses and reduce or eliminate the client's adverse reaction to the situation. This in turn impacts on the interconnected financial, mental, physical and social outcomes of client wellbeing. Cohen and McKay (In press) also suggest that outcomes are improved when the types of support offered match the coping requirements elicited by the stressor. Thus, this study not only extends the application of social support models to include financial and general life stress associated with the COVID-19 pandemic, but additionally considers social support as a moderator of a broader set of wellbeing outcomes as evidenced in financial literacy studies as represented in Figure 1. Value is different for different clients and at different points in time, such as during a crisis. The conceptual framework suggests that while not all types of support are necessary, clients receive the greatest value from professional financial advice when FA actions across all social support domains align to address the holistic wellbeing of the client.

Table 2. Help-seeking, social support and crisis theories

Professionalism/ use of experts (Balafoutas & Kerschbamer, 2020; Darby & Karni, 1973; Kerschbamer et al., 2019)	Professionalism/ use of experts (Grundmann, 2017)	Financial advice-giving (Srinivas, 2000)	Advice-giving (Bonaccio & Dalal, 2006; Schrah et al., 2006)	Advice- seeking (Godek & Murray, 2007)	Advice- seeking (Tyre, 1992; Lee, 1997)	Social support (Cohen & Wills, 1985)	Social support (Cutrona & Suhr, 1992)	Coping (Folkman & Lazarus, 1980)
Seller motivations	Relational expertise	Transactional		Experiential processing		Emotional and Esteem	Nurturant support	Emotion- focused coping
					Help seeking	Social		
Credence goods	Knowledge production and application	Advisory	Adviser recommendation	Rational processing		Instrumental	Action- facilitating support	Problem- focused coping
Information acquisition and asymmetries		Informational	Information acquisition		Information seeking	Informational and Appraisal		
					Feedback seeking			

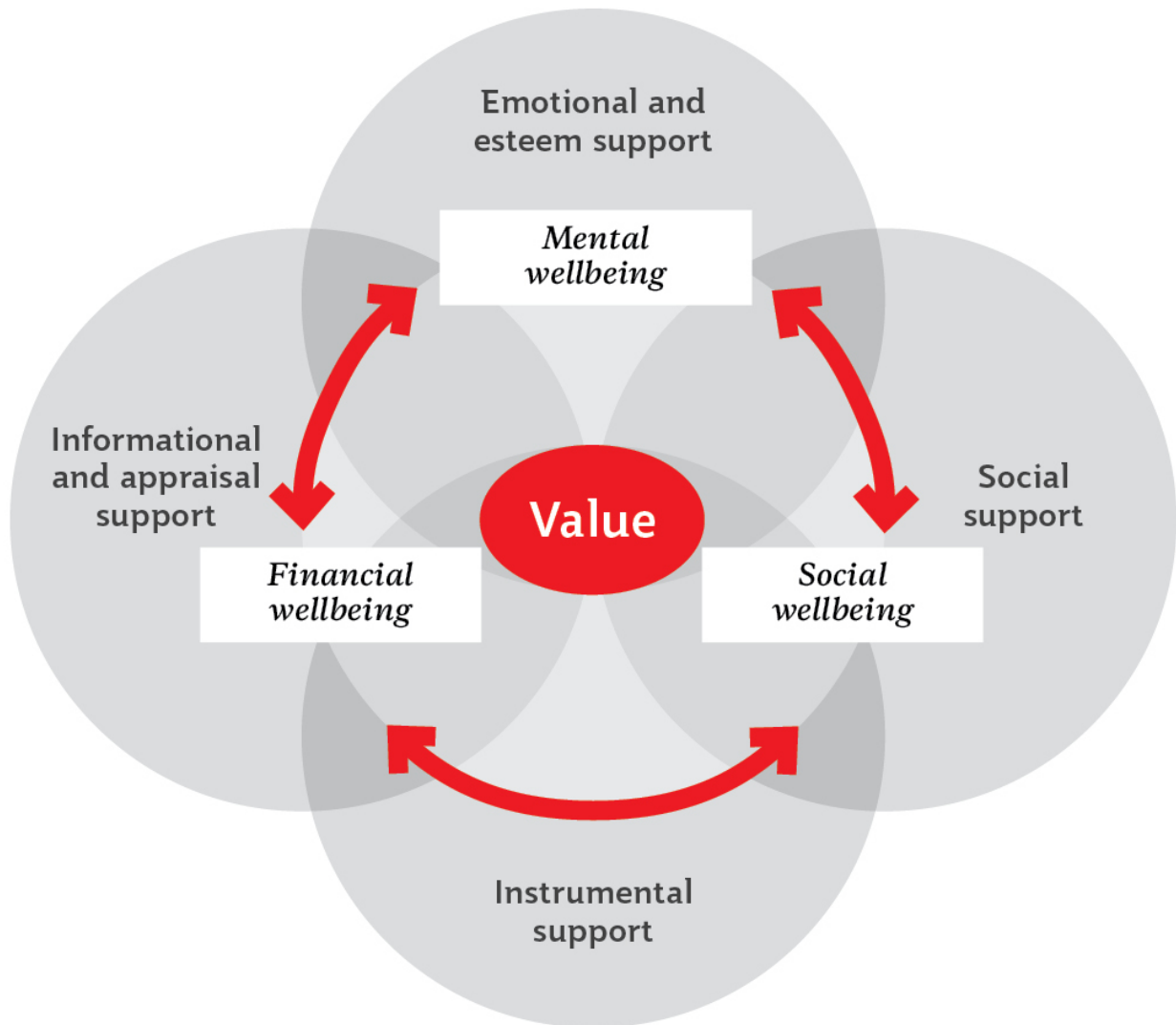
Table 2 presents the key constructs from a number of help-seeking theories, including the use of experts or professionals, advice-seeking and advice-giving, along with models of social support theory and crisis or coping theory. The primary social support model employed in this study is that of Cohen and Wills (1985), with their support types being most closely aligned to the analysis from the Stage 1 research and therefore the social support model selected to underpin the proposed conceptual framework. This table also demonstrates the alignment of key constructs across a range of interdisciplinary theories.

Table 3. Definitions of support and client outcomes

	Definition	Application
Type of support		
Emotional and Esteem	Engaging in nondirective compassionate behaviours such as listening, caring, and understanding. Also involves providing encouragement and reassurance to bolster people's self-esteem or expressing a belief that a person is capable of coping with stressful events.	Emotional support Reassurance Validation Self-esteem
Social	Spending time with others or taking an interest in their personal lives. Being available to listen or to help them with their problems.	Friendship Social support
Informational and Appraisal	Providing factual information or education which helps individuals define, assess, understand and cope with or solve problems, or achieve a certain goal or task. Also involves providing information relevant to self-evaluation, such as feedback on behaviour, thoughts or feelings, and performance, and signals when a change in coping behaviour is required to meet or surpass certain goals.	Education Situational appraisal Communication
Instrumental	Tangible support which involves the provision of goods, services or financial resources to individuals in need. In the case of financial advisers, the instrumental support relates to their technical expertise and financial advice services.	Strategic advice Service provision/ technical expertise
Client outcomes		
Mental wellbeing	Multifaceted, includes self-acceptance and realisation, environmental mastery, personal growth, life purpose, autonomy and positive relationships	Peace of mind Feeling reassured
Financial wellbeing	Personal financial wellbeing can be measured with four scales: subjective perception scale, behavioural scale, objective scale, and overall satisfaction scale. Includes the satisfaction with material and non-material aspects of one's financial situation, perception of financial stability, financial behaviours, adequacy of financial resource, and material and nonmaterial financial resources that each individual possesses.	Financial literacy, capability and resilience Positive financial behaviours
Social wellbeing	Making and maintaining positive meaningful relationships. Staying socially connected. Creating social support systems e.g., with family and friends.	Positive relationships Connectedness Support systems

This table provides definitions of types of support adapted from definitions by Barrera and Ainlay (1983), Cobb (1979), Cohen et al. (1985), Cohen and Wills (1985), Cutrona and Russell (1990), Cutrona and Suhr (1992), Hirsch (1980), Kahn (1979), Schaefer et al. (1981) and Tolsdorf (1976). This table also provides definitions of client outcomes adapted from the literature. The mental wellbeing definition is adapted from the World Health Organisation (2001). The financial wellbeing definition is adapted from the definition of financial wellness proposed by Joo (1998) and expanded on in Joo (2008). The social wellbeing definition is adapted from Holt-Lunstad et al. (2010). The application of definitions of support and outcomes to financial advice are the authors' interpretations.

Figure 1. Conceptual framework of the value of professional financial advice



4.0 Research method and sample

4.1 Stage 1—Survey

In Stage 1, an anonymous online survey of 105 financial advice professionals was conducted, primarily of FAs or provisional FAs (61%), who were working, or had worked, in the financial services industry in Australia. A convenience sampling method was used to recruit participants. Despite the Stage 1 survey being conducted between November 2019 and June 2020, we do not believe that the COVID-19 pandemic influenced responses to the Stage 1 survey, since the majority of responses were collected before early March 2020 and therefore before the COVID-19 pandemic had an impact on Australia. A mix of qualitative and quantitative questions were asked with a broad focus on the value of professional financial advice, factors which drive or inhibit the value clients receive, participants' ability to articulate the value of advice and the impact of regulatory changes within the industry on the value of advice for clients. Key themes relating to social support models identified in Stage 1 (emotional and esteem support, social support, informational and appraisal support and instrumental support) are examined and expanded upon in this report through the application of the proposed conceptual framework presented in Figure 1.

4.2 Stage 2—Survey and interviews

Stage 2 of the research comprised in-depth semi-structured interviews and an online survey, conducted between April and June 2020 at the height of the COVID-19 pandemic. A purposive sampling method was employed to identify and recruit Australian FAs aged 18 and over. Invitations to participate were sent to FAs who had participated in Stage 1, were known to the researchers, or worked for a large licensee. Snowball sampling was then used to reach the desired number of interviews and achieve data saturation. A prize draw was also used to increase engagement. While this population may be biased towards the positive benefits of advice, their regular, close work with a broad demographic of clients is likely to provide useful insights into the benefits clients receive from professional financial advice. In future work we hope to compare the views of financial service professionals with those of clients and client file data.

A total of 21 FAs participated in Stage 2. Participants were first required to complete a short online survey containing a mix of 31 qualitative and quantitative questions. The survey was designed to re-test a subset of questions on the value of advice from Stage 1 of the research in the context of personal and global crises, such as the COVID-19 pandemic.² The research also aimed to improve our understanding of the impact of COVID-19 on advice-seeking behaviour and FAs' use of technology. Participants were then contacted by a member of the research team for a follow-up interview. Due to social distancing requirements and participants being located across the country, interviews were conducted and recorded using Microsoft Teams videoconferencing. The purpose of the interviews was to gain a richer understanding of the value of professional financial advice to consumers, with a particular focus on the value derived for clients during a crisis from having a long-term relationship with a FA. The interview questions were informed by the results of the survey conducted in Stage 1 and the resulting conceptual framework.

² A crisis situation was defined broadly to include any crisis, including a family or personal crisis such as ill-health, divorce or death of a loved one, loss of work hours or employment, and market-related crises, such as the GFC.

The interview guide presented in Appendix 1 consisted of a series of broad questions and associated probes, designed to elicit as much detail as possible from participants. The semi-structured design of the interviews allowed the interviewer to follow each participant's lead in terms of content and flow, leading to a more fluid and reflective interaction taking place (Adams, 2015). Interviewers also employed the use of encouraging remarks, asking for examples or clarification in order to gain a full and clear understanding of participant's views. As a result, the topics receiving the most attention were influenced by the interviewee. While not all questions received equal attention across all interviews, interviewers ensured that key sections were covered in each interview.

Interviews lasted between 39 and 65 minutes, with the average interview taking 53 minutes. The recorded interviews were transcribed and checked for errors by members of the research team. Qualitative analysis of the interview transcripts was completed in NVivo. Members of the research team analysed a selection of interviews separately to identify themes based on the proposed conceptual framework before collaborating on a coding frame. The final coding of all interviews was undertaken by the same member of the research team to ensure consistency. However, all members of the research team collaborated on the final analysis. Table 4 highlights the links between the research questions, interview questions and coding framework.

Table 5 indicates that the Stage 2 sample was two-thirds male, mostly University qualified, aged over 40 and over 20 years of financial services experience. Table 5 also shows that participants tended to provide holistic advice to middle-aged and older clients, with average to high net wealth and were spread across 6 of Australia's 7 states and territories.



Table 4. Research questions mapped to interview questions and data coding

Research questions	Interview questions	Data coding	
		Main themes	Codes
RQ1: How do financial advisers respond to new and existing client demands during a crisis, in terms of operationally servicing their needs?	3. What are the key things that financial advisers do that help clients navigate a crisis situation? 4. What services do clients need from their financial adviser during a crisis? 8. How have your clients been more/less engaged with their finances and the advice process during COVID-19? 10. Has the COVID-19 pandemic had any impact on your ability to support and provide advice to clients? 11. How have your clients reacted to your firm's approach to technology during the COVID-19 pandemic? 12. Are there any aspects of technology that you implemented during the COVID-19 pandemic that you will continue using after the pandemic is over?	Adviser actions	Emotional and esteem support Informational and appraisal support Instrumental support Social support
		Client response to crisis	Client engagement Client reactions
		Technology	Use of technology Adviser reactions Client reactions
		New vs existing clients	New clients Existing clients New and existing clients
RQ2: What role does the client-adviser relationship play in enhancing value for clients in a crisis situation and does an established relationship better prepare clients for crisis?	5. Are there any aspects of the client-adviser relationship that add value for clients during times of crisis? 6. How does the relationship compare to technical advice and services you provide, in terms of importance? 7. How have you managed relationships with clients during the COVID-19 pandemic? 9. How important is client engagement to the value clients get from financial advice?	Adviser actions	Emotional and esteem support Informational and appraisal support Instrumental support Social support
		Client outcomes	Financial wellbeing Mental wellbeing Social wellbeing
		Client response to crisis	Client engagement Client reactions
		Technology	Use of technology Adviser reactions Client reactions
RQ3: Is the value of advice for clients different during times of crisis and if so, how?	1. Can you briefly outline, what the value of financial advice is to clients? 2. Do you think that the value of financial advice to clients is the same or different in times of crisis, compared with more "normal" or "stable" times? Why/ how? 13. Have there been any other times during your career that you have noticed any similarities and differences to the COVID-19 pandemic? For example, in terms of market conditions, level of uncertainty, client behaviours. What are they?	Client outcomes	Financial wellbeing Mental wellbeing Social wellbeing
		Comparisons to other crises	GFC Personal crises Crisis vs non-crisis COVID-19 specific

This table maps the three research questions to the interview questions provided in Appendix 1 and to the data coding framework. Specifically, the main research themes are broken down into the codes used in NVivo to process the FA interview transcripts.

Table 5. Sample descriptive statistics

		Stage 2 (%) <i>n</i> =21
Gender	Male	67
	Female	33
Age	18-29	10
	30-39	5
	40-49	38
	50-59	33
	60+	14
Education	High school (Year 12)	0
	Diploma	24
	University undergraduate degree	52
	University postgraduate degree	24
Experience	Average years	24
State or Territory	NSW & ACT	19
	VIC	10
	QLD	24
	SA	19
	WA	24
	TAS	5
	NT	0
Role	Financial adviser	95
	Provisional financial adviser	5
Adviser during the GFC	Yes	86
	No	14
Works for a self-licensed firm	Yes	38
	No	62
Firm provides...	Holistic advice	95
	Specialist/limited advice	5
Type of clients	High net wealth	43
	Average wealth	76
	Low net wealth	10
	Retirees	71
	Pre-retirees	76
	Middle-aged	67
	Early career	5
	Singles	14
	Couples	90
	Have dependent children	19
	Widowed	14
	Other	0

This table provides the sample descriptive statistics for the 21 FAs who completed the online survey and interviews in Stage 2 of the research. In addition to demographic information about the FAs, the statistics include whether the FA has previously advised clients during a major financial crisis, the GFC, as a point of comparison to the current COVID-19 health and economic crisis, the type of firm in which the FA practices and the types of clients advised.

5.0 Results

Participants' responses were divided into themes based on whether they referred to the FA actions (inputs) which create value or the resulting outcomes (outputs) of advice which are valuable for clients, as illustrated in Table 6. The sub-themes were dictated by participants' responses, but closely resemble the subcategories of social support outlined by Cohen and Wills (1985). Given the focus of Stage 2 research is on the perspectives of FAs, qualitative analysis of the interview responses has been presented under the four key adviser action themes with the wellbeing outcomes woven throughout.

5.1 Informational and appraisal support

Informational and appraisal support has been defined as providing factual information or education which helps individuals define, assess, understand and cope with or solve problems, or achieve a certain goal or task. It also involves being available to talk with individuals about their problems, providing them with information relevant to self-evaluation, such as feedback on their behaviour, thoughts or feelings, and performance, and signals when a change in coping behaviour is required to meet or surpass certain goals (Barrera & Ainlay 1983; Cohen et al., 1985; Cohen & Wills, 1985; Cutrona & Russell, 1990; Hirsch, 1980; Tolsdorf, 1976). The aim of informational support is to provide opportunities for clients to become more financially literate and make rational, informed decisions.

Education was a prominent sub-theme within informational and appraisal support, mentioned by 20 out of 21 participants. Participants spoke about the various topics on which they educated their clients as well as some of the tools they used to educate clients. The education provided by participants ranged from high level macro-economic principles to aspects of a client's personal financial situation. In particular, participants spoke about educating clients on their choices and the possible outcomes, as well as trade-offs of certain actions, so that they could be comfortable, make informed decisions and understand the plan recommended by the FA. Participants also spoke about educating their clients on their investments, budgeting and cash flow, as well as risk and the nature of the business cycle. Participants thought that educating their clients played an important role in reducing a client's anxiety and stopping them from making uninformed, emotional mistakes. They also noted that education was a continual process, not just occurring during a crisis, and takes many forms, including individually with clients and through group communications via emails and webinars. The provision of education was described as being the same for both new and existing clients.

You educate them from day one and as a result of educating them, they're expecting a downturn ... you say, "Hey, that's part of the outcomes of being invested in something that's not just producing income, but hopefully overtime will produce capital growth." So if you educate them from the beginning, you're not going to have a problem. And we have new clients that actually got in just before this pandemic, but we haven't had anyone panicking.

Interview 1

I always see first and foremost [sic] adviser's role, believe it or not, is not to tell someone what to do. It is to give them enough information to make informed decisions.

Interview 11

Table 6. Themes by number of mentions – Adviser actions, client outcomes and client response to the crisis

Main theme	Sub-theme	Participant mentions (n=21)	Total mentions
Adviser actions			
Informational and appraisal support	Education	20	54
	Communication	18	43
	Being reliable and available	14	36
	Situational appraisal	14	31
	Behavioural coaching	12	20
	Referrals	7	13
Instrumental support	Strategic advice	21	79
	Being proactive	15	25
	Secondary services	12	22
	Pro-bono work	10	12
Emotional and esteem support	Reassurance and peace of mind	16	48
	Empathy and understanding	16	39
	Trust	12	19
	Encouragement	3	3
Social support	Relationship focus	19	36
	Social interaction	11	13
Client outcomes			
Financial wellbeing	Better financial decisions	12	20
	Having a plan	11	16
	Better financial position	10	12
	Efficient financial set-up	8	10
	Goal achievement	5	8
	Financial literacy	3	6
	Advice fee help	2	3
Mental wellbeing	Peace of mind, reduced anxiety	15	34
	Confidence and clarity	10	18
	Space to heal and grieve	5	6
	Satisfaction	2	2
Social wellbeing	Feeling cared for and valued	2	3
Client response to crisis			
Client engagement	More engaged	17	28
	The same	5	5
Client reactions	Elevated emotions (panic, anxiety, etc.)	17	33
	Calm, unfazed	13	21
	Confused	9	12
	Opportunistic	6	6
	First port of call	3	4
	Embarrassed	1	1

This table displays the number of FA participants out of 21 who mentioned each sub-theme and total mentions. Total mentions is a count of the number of times a sub-theme was mentioned by participants, where a participant may mention a sub-theme multiple times during the interview.

What I aim to do is to give clients sufficient information that they're making some informed choice. So for me, that's the ideal relationship that a client feels that they're making a choice. So we're not telling them what they need to do, but we're outlining the consequences of different decisions that they may or may not take.

Interview 22

Participants also thought communicating and engaging with clients was of particular value during a crisis (18 out of 21 participants). Communications with clients during COVID-19 primarily involved the dissemination of informational material en masse. Participants felt the need to proactively make contact via email, phone or videoconference to convey the normality of market fluctuations and outline information or policy changes specific to the pandemic. Participants saw this as an essential means of engaging their clients by re-iterating information that had been previously presented or discussed. Participants noted that the information strategy used during the pandemic was similar to other large-scale crises such as the GFC. In particular, the messages were about behavioural biases and staying the course, combined with reassurance. Communicating with new clients was seen as more challenging by some due to a number of interrelated reasons, including that newer clients had not previously experienced a major market crisis, their anxiety levels were higher compared to longer-term clients who had experienced market disturbances and the trust that a long-term relationship creates had not yet been fully developed.

We were quite proactive though, like sending out an email that basically did an overlay from epidemics and pandemics over the last 50 odd years, and the economic journey that accompanied it ... simplifying a lot of detail that we had around it. ... I had so many clients come back and say "Yeah, thanks for that, wasn't concerned at all."

Interview 12

Participants also vocalised the importance of being available to their clients as part of the advice process (14 out of 21 participants). Particularly in times of crisis when emotions and uncertainty are high, participants described the value to clients of being able to ring someone they trust, is aware of their financial situation and is able to help them when needed.

In that time of crisis, I think you are the one central person in their world, particularly if there's an illness or a death ... you're the one person that they can count on that they can ring up. You will sort everything out for them with their financial matters ... you can almost hear the relief in their voice when they come through and they say, oh my goodness, thank you so much for taking that on board.

Interview 1

It's the comfort that they know they've got someone in their corner.

Interview 2

It's easy to sit in the boardroom and open a bottle of wine and have a laugh and have a chat and celebrate the wins. But, if you're not there when things are getting rocky, people never forget that. They never forget being let down and they also never forget you being there ... when times were bad.

Interview 12

The swift and frequent actions taken by FAs during the pandemic gave FAs the perspective that clients felt informed and reassured, generally did not panic and maintained behaviours consistent with their long-term goals. Clients being educated and informed by FAs at the time of advice about the risks of various investment strategies was also thought by participants to lead to less stress and anxiety for clients during periods of market stress. The protective actions of the FAs therefore led to positive outcomes for client's mental and financial wellbeing, with some clients even viewing the downturn as an opportunity to invest.

People didn't panic. In fact, I've had a few clients come to me and say at the beginning [of the pandemic], "Shouldn't we be investing in the market now that it's dropped?" ... that just goes to tell you that they're listening to what you're saying over time.

Interview 6

I haven't had one phone call about this COVID-19 market correction, if you want to call it. No one's called and got concerned because I educated them properly upfront about what can happen.

Interview 17

Participants reported that clients were seeking a situational appraisal during the COVID-19 pandemic to determine if their financial and lifestyle goals were still attainable despite the effects of the pandemic, and to determine what actions, if any, were required (14 out of 21 participants). Providing a situation appraisal was frequently connected with articulations of validation and reassurance for clients, with the phrase "peace of mind" often mentioned. In particular, clients were seeking assurance that they were well-positioned to weather the crisis. The value of advice was again perceived to be greater in times of crisis due to the psychological comfort of knowing the FA was available to provide reassurance and any technical or strategic guidance if needed.

They want the reassurance that they're still on track and there's not going to be a problem even though we told them, "Hey look, this is what happens" and they accept this is what happens. They still value you re-confirming that.

Interview 10

It's not so much just strategy or strategic advice. It's just more giving them comfort and peace of mind that they need, that are they still on the right track, what do they need to do.

Interview 15

Participants also spoke about their role in highlighting and dealing with clients' emotional biases (12 out of 21 participants). Times of crisis and change can cause people to act irrationally, with people often unaware of their own biases and acting out of fear or loss aversion. Being an independent source of guidance and fortitude, FAs are often disassociated from clients' emotionality and able to provide a more rational, logical frame of mind than clients. Independent feedback provided by FAs can help clients to recognise their biases, modify their behaviour and prevent them from making decisions inconsistent with their long-term goals.

Unfortunately, we don't get a lot of credit for this. We stop people from doing silly things, but that's never really written in an SOA.

Interview 4

We are independent from the family situation, independent from the crisis that is going on and can actually take a more objective view of the situation and in a way being prepared to challenge people of their views because in a crisis they may not be thinking rationally.

Interview 14

Behavioural coaching was also evident in the context of assisting clients to achieve their personal and lifestyle goals. Some FAs would appraise their clients' situations and encourage their clients to undertake meaningful social or personal activities as a means to helping them improve their mental and social wellbeing.

We've just been able to have a 15 minute phone conversation with them. And it's more about how they are, you know, how they're feeling and really the process of sitting on their investments and not panicking and taking [sic] big deep breath and using the time to go and do things outside of their finances that they want to do that they've been planning to do.

Interview 16

Comparisons made with the GFC and other global crises illustrate that large-scale crises elicit the same kind of behavioural coaching response from FAs which combines the provision of education by imparting the knowledge to remain invested throughout the market downturns, with the comfort of reassurance.

At the moment the bulk of my clients don't think that the markets hiccupping as they are is a crisis, because they've been through the GFC with me and they knew that the markets recovered, and then they're going through the next one. In fact, if anything, because we've been holding quite a bit of cash in portfolios for some time, they actually are desperate to invest.

Interview 2

Whether it's COVID induced or whether it's GFC, or whether it's Tech Wreck or whether it's a currency crisis or whatever, whatever the last crisis was, it's essentially the same response. We're using education, reinforcing this is not new, this is a different cause, but the volatility in the market is normal.

Interview 19

Some participants also spoke about the role FAs play in referring clients to other professionals they trust and recommend who may be able to assist in areas they lack expertise (7 out of 21 participants). They spoke about referring clients to other FAs they trust who specialise in certain areas of advice or who provide a service offering more suited to the client's needs. Participants also supported clients by referring them to other professionals, such as lawyers, or providing a list of tasks or other professionals they may also need to see during a crisis, for example, the death of a spouse.

Put them in touch with other people, other professionals that they need to talk to.

Interview 5

If I can't help them, I'll introduce them to another planner. You know someone wants to get aged care advice, that's not my area.

Interview 17

5.2 Instrumental support

Instrumental support, also known as tangible support, comprises the provision of needed goods and services to help an individual cope with a stressful event or meet their personal goals. This type of support is thought to help reduce stress by direct resolution of problems or by providing the recipient with time savings (Barrera & Ainlay, 1983; Cohen & Wills, 1985; Cutrona & Russell 1990; Hirsch, 1980; Schaefer et al., 1981; Tolsdorf 1976). The key services provided by FAs (as identified by the research team) are the provision of strategic advice and transaction-related services.

Providing strategic advice was a prominent sub-theme within instrumental support, mentioned by all 21 participants. Compared to strategic advice rendered on personal crises, described by FAs as being tailored to the particular crisis such as divorce or a health insurance claim, the advice and services required during the COVID-19 pandemic were applicable to a larger group of clients. FAs asserted that the value of advice was in providing guidance and structure through the delivery and maintenance of a financial plan, providing clients with a sense of direction and control over their finances and lifestyle goals. A well thought out plan was believed to help clients weather a crisis such as the COVID-19 pandemic. However, participants noted that new information and situation changes, for example, changing asset values or the various government stimulus packages, as a result of the pandemic, meant that FAs could add value by incorporating this new information into their clients' strategic plans, resulting in enhanced financial wellbeing outcomes for clients. Thus, the instrumental support provided via advisers' technical competence produced both mental and financial wellbeing outcomes for clients.

It's actually helping them with the technical stuff that might need to sit over the top. You know, if they can't get another job, what we can do with their current assets or what things might need to be considered if they get a lesser paying job, the implications.

Interview 2

We get a plan happening because you know most people when things turn bad, they just want to know if there's a plan, they want to know if someone's got control and I believe, my belief is that you're that person as their financial adviser. ... You're that person that's going to take it and make it all okay.

Interview 12

In a lot of those other types of crises within families or relationships, or within their circumstances, then you're really having to change, talk to them about different strategies that they need to undertake, depending on what's going on in their life. So it's not just about holding course and sticking with that. It's about "well ok, what's different, what's changed? ... How best do we now guide you through this or what do you need to do?"

Interview 15

Even without a crisis situation, participants believed that strategic advice helped clients achieve their financial and lifestyle goals.

The value is actually in helping the client plan their financial life and helping them plan their life and living a life that is important to them. And whether that is in a crisis or whether that's outside of a crisis, I don't think that actually matters, because we can help them uncover their 'why' and then help them live that life.

Interview 3

Many participants spoke about proactively contacting their clients via email, phone or videoconference, in response to clients' heightened emotions, to check in and communicate their support (15 out of 21 participants). The act of reaching out and vocalising care and concern implies a fostering of clients' mental wellbeing which is often ingrained in the participants' practice values.

Through this COVID-19 I got on the phone ... and said, 'How are you going? Are you okay?' Just asking that is immense. It just shows we have a deep sense of care in this practice and we care about our clients. You know, they're almost like our family and that can be pros and cons, but that's the way that we would like to run our business.

Interview 21

Providing ancillary services to clients in a crisis was another key theme mentioned by participants (12 out of 21 participants). In particular, participants spoke about their role rebalancing and maintaining accounts and completing necessary paperwork, for example for Centrelink, aged-care or executing mortgages. Participants viewed performing these services as providing time savings benefits for clients. However, some noted that for certain tasks a level of expertise or knowledge is required. For example, some clients find Centrelink forms and the processes around aged-care confusing and would instead delegate these to their FA. Providing these services were also thought to take a weight off clients who were in the midst of a crisis, reducing the mental load being carried by the client and providing them a space to grieve and heal. A common example provided by participants, was their role in fighting insurance companies to pay out their client's claim. Participants described this work as time consuming and, at times, emotionally taxing for clients.

Then you've got your normal Centrelink issues ... all of a sudden you have a 70-page document that has to be completed and it's very daunting ... the biggest crisis as you get older, is having to put an elderly parent or a spouse in a nursing home and dealing with that and dealing with the minefield of the nursing home and negotiating with nursing homes to get them in ahead of the queue that they might have, because their need is deemed greater than the people that are sitting on the queue.

Interview 1

And the same for the health side of things. Someone who is going through health issues, at that point in time, the thing that's on most people's minds is just getting better. So, the last thing they want to be thinking about is do I have to deal with this insurance claim. ... Can somebody else just do this, I am trying to get myself better. In times of crisis, I think the perceived value does increase.

Interview 14

Participants acknowledged that some clients find it difficult to afford their services, with this problem exacerbated during crisis situations. They expressed a desire to help as many clients as possible and to reduce or waive their fees in certain situations (10 out of 21 participants). During the COVID-19 pandemic some participants held their service charge constant or provided services to clients which were outside of their service agreement due to bracket creep, indicating that they felt they could not morally charge clients more during this time. Another participant mentioned that in some cases, after the death of a spouse, they would delay charging clients until the insurance claim has been paid. Participants also highlighted that some prospective clients are unable to afford professional financial advice. While there were cases where FAs would work for free, participants said that if they were approached by potential clients unable to pay for advice, during the pandemic they had provided some free general advice, to help keep them on the right track.

I've had several key clients where the anniversary date of their ongoing service arrangements has fallen during this time, and we deliberately just kept their fees exactly the same as the year prior. Because just morally I don't feel comfortable saying to somebody, "Hey, you know, you're hurting financially. By the way, there's a CPI increase or what have you, on your fee."

Interview 11

There was [sic] a few clients that were I guess on that sort of more ad hoc kind of relationship who were ringing, who were wanting a lot more help ... they kind of crept up into I guess the next service offering level. But I was just happy to just wear that for now. People were just scared and they needed help, so a bit of bracket creep there.

Interview 12

I've done a lot of general advice just from people in our community who are coming off the street and you know, things aren't going well because of COVID and they just want to sit down with someone. Now a lot of these clients, they are not in any position where I could actually justify providing advice for them or charging them a fee, but I've sometimes spend up to an hour or more with them, plus file notes that I have to write up afterwards, just to stop them from doing things that would be even more detrimental to the position that they're in and to give them some general advice on things that they should look at today. ... Like in general terms, I have to be very careful. The qualification is that it's not personalised advice ...

Interview 4

Initially I may not charge them anything because they're basically, some of them are left with nothing until this money comes through ... it can take up to 12 months for a coroner to approve a death certificate with the true ruling of death on it. So, these [clients] can wait for a period of time.

Interview 16

In a crisis situation, while strategic advice was viewed as valuable in and of itself, trust within the client-adviser relationship was seen as having a significant impact on the application, conveyance and assimilation of that technical knowledge. These FA actions simultaneously bred feelings of safety and security knowing that a professional was available and could be relied upon both for their financial advice and their relational support. The data therefore demonstrates the complex interplay between the client-adviser relationship and the FA's myriad of knowledge, skills and actions that demonstrate value.

The value of advice is that they know that I'm technically competent, but it's more about, I know I'm technically competent, but they trust me enough to involve me in every aspect of their life ...

Interview 6

The data also corroborates the interconnection between the various forms of social support, with FAs performing actions relative to both instrumental support by acting in a professional capacity as “experts” and emotional support, with evocations of calm and reassurance. The need to balance clients’ mental wellbeing with their financial wellbeing was a judgment call weighed up and acted upon by FAs and demonstrates the complexities of the professional financial advice process.

There's all those technical skills and projections and all the things that are in a standard financial plan that any sort of computer can spit out for them. But it's also all that empathy and all those other issues that we can talk about. It's actually finding the good things that might happen ... they're currently full-time work and now they're working part time, what they can do with those other days and how they can make it a transition to retirement...

Interview 2

When a crisis happens ... the ongoing relationship with clients means that they have the ability to be able to check back in and see what the impact of these exogenous changes are on our financial road map ... how are we tracking towards what we want to do with our lives? ... But that sits underneath an overarching or a broader value of getting the advice in the first place and working with someone that you trust, that you understand, that understands you and what you're trying to do, what you're trying to achieve.”

Interview 3

Part of our role is, I call it talking people back from the edge, and talking them off the mountain because ... we're the ones with the knowledge, we are the ones who are the experts in the room, so we're the ones who should be sitting here with a calm voice saying, “Actually, the world's not going to end.”

Interview 5

There's a balance between the expertise and the emotional sense to be able to gauge how that's impacting on your client ... you could be the most sophisticated and the best at investing funds or any type of strategy you come up with ... it's a combination of relationship, communication and upskilling to provide that in layman's terms as to how that will impact to that client.

Interview 16

5.3 Emotional and esteem support

Emotional and esteem support is defined as engaging in nondirective compassionate behaviours such as expressions of care, empathy, understanding and concern, together with messages of validation, encouragement and reassurance (Barrera & Ainlay, 1983; Cohen et al., 1985; Cohen & Wills, 1985; Cutrona & Russell, 1990; Hirsch, 1980; Schaefer et al., 1981). A number of participants (17 out of 21 participants) noted that in response to a crisis, clients experience a heightened level and range of emotions, such as panic, anxiety and grief. Participants also described how client engagement had increased (17 out of 21

participants) during the COVID-19 pandemic. Clients demanded both information, for example, on investments and government stimulus packages, and reassurance in response to the constant media coverage of the pandemic and continually changing government policies. Participants believed that clients' increased need for emotional support being fulfilled by FAs increased the value of financial advice.

I think [value is] greater and that's what my experience through COVID has demonstrated because that's the time when all of the emotive factors come to the fore. So for me I have fielded probably double to triple the amount of inquiries that I've had with people watching certain things, watching their balances on a day-to-day basis and freaking out because of what's going on in the news. Again, our job is to help those clients sail through this turmoil and I feel that this is the time in which advisers need to shine. That's what we're paid to do. So when the market's going up and everything's easy, you know, advisers can look really good, but where the adviser is really worth their money is when things are tough, and when there's a lot of different things going on, to give [clients] some confidence to say, "Look, we're here, we're watching this, we're on top of this for you, we're going to get you through to the other side, sit tight."

Interview 4

While heightened emotions are common during a crisis, participants acknowledged that some clients require more reassurance than others and the type of support needed can vary based on a number of factors, including the type of crisis clients are experiencing. It was generally thought that extra emotional support was required during personal crises, such as loss of a loved one or job loss, where emotional needs were heightened, rather than a public or global crisis, such as the COVID-19 pandemic, where everyone is experiencing a similar financial phenomenon. A client's previous exposure to crises, particularly a market crisis, such as the GFC, as well as their familiarity with the advice process or the relationship they have with their FA were also perceived to influence a client's reaction to a crisis.

During the pandemic, new clients were seen as requiring more support than clients with a long-term relationship with a FA, with participants expressing sentiments that having a strong client-adviser relationship based on trust can help clients feel calmer during periods of stress. This is particularly true if clients had already experienced a period of stress with their FA, such as a major market crisis like the GFC. Participants also attributed this to the time they spent educating clients about market downturns, as well as the proactive approach they took contacting and reassuring clients. A client's stage-of-life was also thought to contribute to a client's level of panic, with clients approaching or in retirement thought to panic more.

I think a lot of people have been very anxious. The retirees in particular ... have been extremely anxious... So this [crisis has] been totally different because it's not just financial, it's also health. So that's bred an additional component of anxiety with the clients that you haven't had before.

Interview 1

They haven't panicked. I haven't had one client out of our roughly 400 clients in our practice, not one that said, "Let's get out. I can't handle the heat in the kitchen."

Interview 10

Lots of new clients were, yeah, that was the first time that their resolve was being challenged, so they were a lot more concerned ... there was more work required there, but that's what we do.

Interview 11

If you're engaged with clients enough that they understand there are going to be times that this happens, then you're going to get less calls from them at the end of the day anyway, because they were already engaged and they already understand. ... It's not always going to be positive.

Interview 15

Where clients did experience heightened emotions, participants spoke about their role in reassuring them, providing peace of mind and confidence (16 out of 21 participants). Messages of reassurance that their financial position and wellbeing were not in jeopardy, they were still on track to meet their goals and that they had made the right decisions, were common during times of crisis and often linked to providing a situational appraisal for clients (see section 5.1). The fact that clients had a trusted, knowledgeable FA available to act as a sounding board and answer any technical or strategic questions, was also thought to provide reassurance for clients. As a result, participants were able to alleviate clients' fears and concerns, leaving them calmer and more confident. Providing reassurance was also thought to be important in stopping clients from making poor, emotionally driven decisions.

Talking about bad markets, for example, or markets being rocky ... the biggest thing that you can do is just simply go back to why they came to you in the first place. Calm them down, revisit all of the goals, all of the objectives, and I guess highlight okay what's changed? When you first came to see me, you said you wanted XYZ, nothing's changed, so why are we panicking here?

Interview 12

Having someone to talk to just to, you know, reassure them that their money is still diversified well and that it's going to see them through retirement. They haven't lost it all ... they know that they can call us at any time so I think that's really valuable.

Interview 18

What we try and do is to remove emotion from people's decision-making ... to give them confidence that they're not missing something, they're not going to kick themselves in 12 months' time.

Interview 22

Participants also spoke about providing empathy, care and understanding for their clients (16 out of 21 participants). Some participants likened their role to that of a counsellor, expressing a stronger desire to provide emotional support during the pandemic, with many participants proactively contacting their clients to check in and communicate their support (see also section 5.1). They also spoke about engaging in active listening and providing a sounding board for clients. The resultant therapeutic benefits of providing emotional and esteem support were seen as having a major positive impact on a client's mental wellbeing, especially during times of crisis. In particular, expressions of empathy, care and understanding were closely linked to clients experiencing peace of mind and reduced anxiety.

Whereas you might have a regular review that's an hour with a client...you may have 6 or 10 appointments with someone that is actually facing a personal crisis. ... You can't push people too far when they're actually dealing with some things. And sometimes you can actually say to them, "Look, let's just not make financial decisions today. Let's actually talk about all the other things you've got to do, and let's get on top of that."

Interview 2

The value of advice – we're borderline psychiatrists sometimes and psychologists and counsellors. ... I don't know how many conversations where I've just had talked about things that were not advice related. ... I understand these people's lives and their relationships quite intimately, and they share with me lots of things that are very personal to them. ... I think those elements are super important and very under captured by the advice process.

Interview 4

When it comes to a crisis...that level of care increases. But I care for all my clients as it is, but I think it's just that. ... I need to communicate with them a bit more and I just need to make sure that they are okay.

Interview 14

Whether it's someone with cancer, someone with a death in the family, or a divorce or whatever, sometimes I shut the file and don't even talk about what we do and just talk to them so it's a holistic approach. I think that's where the value is. They're not a number, they're a person, and they've got to be treated that way.

Interview 23

Esteem support, often provided together with emotional support, was demonstrated through messages of validation and encouragement. It was related to strategic planning, with FAs not just giving empty encouragement, but instead detailing how clients could reach their goals and motivating them to live their best life. This type of support was not as widely recognised by participants (3 out of 21 participants), perhaps due to the focus of the interviews being on crisis situations, where you are in the eye of the storm and looking through a lens of surviving rather than thriving.

I just helped these people buy their first house ... they said to me at our last review that, "About once a year we get really excited and motivated about our finances to see that we can actually do something." And he's just like, "I just realised that that's after we see you." So like for them, it's not so much giving the advice, but it's telling them that you actually are capable of doing what you want to do.

Interview 20

Providing emotional and esteem support to clients was thought by participants to build a client's trust and help develop a strong client-adviser relationship (12 out of 21 participants). However, participants acknowledged that it can take clients many years to develop trust in their FA and their advice. Once trust was established emotional and esteem support provided by FA was more effective, helping provide peace of mind for clients.

You listen to what your clients want and you ask the right questions and you listen to the answers and you deliver your advice based on their responses. That's what builds trust.

Interview 3

You have to have that trust. Someone can tell you anything about, you know your finances and things, and if they don't believe in you and feel comfortable bringing up issues or letting you know how they're really feeling, it's not going to lead to the right sort of advice. So I think that the trust and feeling comfortable with each other and being able to discuss things is just super important.

Interview 18

The provision of emotional and esteem support was often seen as a vital first step in the advice process, whether by helping the person remain calm so they have the mental space to deal with the decisions that they need to make, or by building strong connections or relationships with clients. In fact, some participants believed the nurturing of the relationship was more important than the provision of technical advice, while others thought that dealing with clients' emotions was necessary for the success of the more technical aspects of advice.

It's just an extra layer, so you're counselling on two levels, I suppose, and assisting them on two levels. ... First of all, not discounting their anxiety, so moving through their anxiety first and smoothing that over and then moving onto the investment and financial. So you can't just leap into the investment and financial, you've got to do the two layering at the moment.

Interview 1

The relationship one hundred per cent. I think they don't care about your technical expertise as long as you're listening to them and you can relate to them. That's more important than gold, seriously. You can be the most technical financial planner about, but if you can't relate to your clients, you've got no hope...

Interview 8

5.4 Social support

Social support, also referred to as network support or belonging support, is defined as spending time with others, and taking an interest in their personal lives (Cohen & Wills, 1985; Cutrona & Russell, 1990). During the COVID-19 pandemic, the added complexity of the overarching global health crisis was considered by participants to add another layer of anxiety for clients. In addition to clients seeking advice about the financial implications of the pandemic, some clients also sought a social connection from their FA. Participants (11 out of 21 participants) described the value to clients in being given the opportunity to talk about their personal lives during lockdown and have someone listen to them. Being able to see their clients online was also deemed important for maintaining a level of social contact and facilitating non-verbal communication during the pandemic.

I guess more in crisis times, the clients that would phone, the older clients that we had who were cut off from the rest of the world as such because they were either not going out as much, just wanted to have general conversation. So our financial planning conversation finished within 15 minutes and then they

want to have that additional 10 minutes of just human conversation. I would have said just, "How are you? What are you doing?" ... because we do spend a fair bit of time like I said, getting to know them, spending time with our clients.

Interview 16

I have spent hours and hours talking about family grocery shopping, online banking, you know, just them telling us how they're doing in this time, how they've coped and what it's been like. ... Just sitting and listening because everyone's been so isolated.

Interview 18

The relationship that FAs have with their clients was viewed as important for generating value by most participants (19 of 21 participants). Participants spoke about the effort and means they take to get to know their clients and build a relationship with them. Some participants noted that the relationship is two-sided, with FAs sharing information about their own lives with their clients to build rapport and trust. Having a strong client-adviser relationship was seen as beneficial for clients in a social sense, but more so it allowed FAs to better understand their clients' needs and objectives, identify any changes in their behaviour and risk tolerance, and provide relevant advice. One participant noted their strong relationship with their clients enhanced their ability to identify when a third party may need to be involved to assist the client with their decision-making.

Well we don't actually treat them as a client. I mean, we actually treat them as a friend and then they're not. You know, okay fine, we're doing a client job for them, but they're not just clients. I don't think you should treat people as just clients and it's a financial transaction. That's a mistake. Yeah, you have got to be more. You've got to have that emotional intelligence to be able to connect with people, they're real people, and you're a real person, you've got to show that.

Interview 10

For me it's more about building, being able to build a relationship with the client very quickly in a meeting and encouraging them to open up to you. Which also means opening up to them as well so they get to know you too.

Interview 15

If you know them quite well you can actually bring them back to a point and go, well this is where you're at, this is what you said, this is how you felt, although these things have happened, I think we should, you know, this is basically where it starts so you know maybe you are feeling different. It's also really good from a point of view when you get clients that are older, you can actually tell when they probably shouldn't be acting on their own when certain things change. So I think for those retiree clients that are getting on in years where you're giving the advice and they're making decisions, there's got to be some point when you can go, I think you need a third person in this room that helps you with this that's not me.

Interview 16

Although most participants were positive about the benefits of technology during COVID-19, participants noted the particular importance for some clients of physically connecting and spending time with their FA and the resulting social and mental benefits, even for themselves.

I do have again a handful of clients that they're touchy feely people, you know, when they walk in, it's always a hug, a kiss on the cheek or something like that. Because I've worked with them for 17 years, so that's a real strong friendship there and I have missed that too.

Interview 11

The lack of face-to-face contact presented additional challenges with new clients in terms of building a relationship and securing a financial services agreement. Participants mentioned it taking longer to build a relationship online and clients also taking longer to peruse documents and return these to the FA for the next step in the decision-making process, possibly due to heightened anxiety pertaining to COVID-19. The extra time and effort involved in communicating with the client and building the relationship was seen as an unfortunate necessity to build trust and increase the likelihood of proceeding to the implementation of advice.

It's a bit harder at the moment with new clients because you're not face-to-face and they don't know you, so you don't have quite that level of background. Well, you don't have any background yet. So in normal, new clients in normal times, I think you are given time to build a relationship. In the beginning you see them a couple of times before ... everything's locked down and their money's invested. Whereas at the moment it's a little harder to build the relationship side, it's easy to do the strategies and invest the money, but the relationship side's harder.

Interview 18

Overall, the evidence in sections 5.1 to 5.4 highlights the complexity of the value of professional financial advice and the difficulty in disentangling the multidimensional and interrelated components of FA actions and client outcomes contributing to value. Although Cohen & Wills (1985) suggest that instrumental support is the most likely social support dimension to buffer the effects of economic problems, Cutrona & Russell (1990) hypothesise that uncontrollable (controllable) events will require social support components that foster emotion-focused (problem-focused) coping. Interview evidence suggests that emotional support is at least equally important. Cutrona & Russell (1990) acknowledge that the ways in which action is facilitated can be blurred. For example, emotion-focused coping is strongly linked to emotional support, but problem-focused coping also involves emotions as there may be benefits from emotional support that communicates belief in one's competence. This blurring of support approaches is highlighted in participants' responses reflecting value as a complex interplay between multiple adviser support actions and client wellbeing outcomes. Client outcomes are also not discrete, since a direct impact on financial wellbeing may have indirect impacts on other components of wellbeing.

5.5 Advice-seeking behaviour during COVID-19

The pre-interview survey collected information on clients' advice-seeking behaviour during the COVID-19 pandemic to deepen our understanding of their behaviour and enable comparisons to pre-COVID-19 times. Specifically, data on the number of clients that had made contact with their FA since news of the COVID-19 pandemic broke, how client contact compared to pre-COVID-19 times, the kind of information that was sought, for example, comprehensive or a short communication, the types of clients seeking advice and whether clients had been more or less engaged with their finances through COVID-19 was collected. These results are presented in Table 7 (see next page).

Most FAs (13 of 21 participants) indicated that client-initiated contact had increased since news of the COVID-19 pandemic broke, however, the number of people reaching out was relatively low. Fourteen of 21 participants estimated that less than 10 people had contacted them on average each week, while only one participant said that 30 or more clients had reached out to them over the same period.

In terms of who was seeking advice during COVID-19, while 19 of 21 participants indicated that the people seeking advice were existing clients that they were in regular contact with, more than half (13 of 21 participants) were approached by new clients seeking advice. A similar share of participants were approached by clients experiencing hardship (7 of 21 participants) to those approached by clients looking for investment opportunities (8 of 21 participants). Around half of participants (11 of 21 participants) were contacted by clients who were close to retirement.

Participants indicated that more clients were seeking short communications from FAs than comprehensive advice, with 9 of 21 participants indicating that these brief requests were occurring more frequently than usual. This suggests that clients were seeking reassurance or answers to questions rather than a more detailed financial review:

There would have been half a dozen, maybe 10 clients, that rang up a little bit panicky that we had to give a bit of reassurance to, but apart from that, it was relatively business as usual.

Interview 14

I have two or three clients who are very concerned of the 45 that we've got. I've had probably 15 or 20 telephone calls, and we basically said, "Don't do anything, this is going to blow over, this is going to be a blip." And it's to give them that confidence and peace of mind, and they want to know that they're okay, so that's the value of it.

Interview 21



Table 7. Advice-seeking and advice-giving patterns during COVID-19

		No. of participants (n=21)	Share of participants (%)
Since news of the COVID-19 pandemic broke, how many people on average, have contacted you each week?	0 – 10	14	67
	11 – 20	3	14
	21 – 30	3	14
	30+	1	5
How does this compare to a normal week (not in crisis times)?	Much more than normal	3	14
	More than normal	10	48
	The same as normal	8	38
	Less than normal	0	0
	Much less than normal	0	0
How much of the recent contact by clients was related to requests for comprehensive advice versus short communication (short call/email for reassurance/to ask a question/information seeking) that perhaps a client didn't recognise may still be considered advice?	Mostly short communications	8	38
	Slightly more short communications	7	33
	Even split between requests for comprehensive advice and short communications	5	24
	Slightly more requests for comprehensive advice	1	5
	Mostly requests for comprehensive advice	0	0
How does this compare to the client contact in more normal times?	More short communications than normal	9	43
	Less short communications than normal	0	0
	The same as normal	8	38
	More requests for comprehensive advice than normal	1	5
	Less requests for comprehensive advice than normal	3	14
Who are the people that have been seeking advice from you during the COVID-19 pandemic? ³	New clients	13	62
	Existing clients you are in regular contact with	19	90
	Existing clients who you haven't served in a while	5	24
	People experiencing hardship	7	33
	People looking for investment opportunities	8	38
	People close to retirement	11	52
	People with low levels of financial literacy	5	24
	Small business owners	8	38
	High wealth and/or income clients	6	29
	Low wealth and/or income clients	3	14
	Retirees in relation to the new reduced minimum superannuation pension rules	1	5
Have you been taking on new clients during the COVID-19 pandemic?	Yes	20	95
	No	1	5
Have clients been more or less engaged than normal with their finances and the advice process during the COVID-19 pandemic?	Much more engaged than normal	2	10
	More engaged than normal	14	67
	The same as normal	5	24
	Less engaged than normal	0	0
	Much less engaged than normal	0	0

This table presents a series of questions from the pre-interview survey that seek to reveal advice-seeking and advice-giving patterns during COVID-19. This information is reported by the FAs and thus results are reported as a number of respondents out of the 21 FAs in the sample and as a percentage of the sample.

³ Participants could select multiple options; thus the share of participants does not add to 100.

Over three-quarters of participants (16 of 21 participants) indicated that their clients had been more engaged with their finances and the advice process during COVID-19. A number of participants attributed a client's increased engagement to the large amount of easily accessible financial information. Participants mentioned external information sources such as the media, and internal sources in the form of client emails, as key sources of information which drove clients' increased involvement in their own financial situation and the advice process. In turn, the increased engagement was interpreted as clients seeking reassurance that their financial situation was being well managed by their FA. Comments indicate that participants were aware of the heightened need for support displayed by some of their clients and that they were willing to fulfil that need by being readily available and providing reassurance.

So everyone's more engaged because every headline every day is about the financial situation and the financial crisis that's come off the back of a health crisis ...

Interview 2

A lot of people don't call me two times every six months or 12 months. But come in a crisis, they want to know that you're there. That's so important.

Interview 8

Probably more response to the emails that were being sent, and I don't know whether that is because they were more concerned or whether they were reacting to the personal nature of the communication.

Interview 22

The increased access to financial information was also viewed by some participants as helping their clients increase their financial literacy and understanding of financial markets. This in turn was seen to motivate these clients to increase their financial engagement with their FA.

Clients now have a lot more access to a lot more information. So they're getting onto it far quicker and ringing you and saying, "Hey, what's going on here? I've noticed this." Whereas in 2008, you probably weren't getting those phone calls around, "Okay, I need you to set me up a portfolio because markets are low." ... But I don't think clients were as well informed in 2008 as what they are now.

Interview 12

5.6 Role of technology during COVID-19

Information on FAs' use of technology and the role of technology in providing value for clients during the COVID-19 pandemic was explored in both the interviews and pre-interview survey. The results from the pre-interview survey are presented in Table 8. Most participants (16 of 21 participants) had been using audio-visual (AV) conferencing for many years, while the balance of participants started using it during the pandemic. Understandably, the use of AV technology was perceived to be greater (5 of 21 participants) or much greater (13 of 21 participants) during the pandemic compared to normal times.

Table 8. Patterns of technology usage during COVID-19

		No. of participants (<i>n</i> =21)	Share of participants (%)
How familiar are you with using technology, such as audio-visual conferencing?	I have been using technology for many years	16	76
	I started using technology as a result of the COVID-19 pandemic	5	24
	I started using technology 1-2 years ago	0	0
	I do not use technology	0	0
During the COVID-19 pandemic has your use of technology, such as audio-visual conferencing, been...	Much greater than normal	13	62
	Greater than normal	5	24
	The same as normal	3	14
	Less than normal	0	0
	Much less than normal	0	0

This table presents a series of questions from the pre-interview survey that seek to reveal patterns of technology usage during COVID-19, with a focus on familiarity with technology prior to the pandemic and frequency of use of the technology. This information is reported by the FAs and thus results are reported as a number of respondents out of the 21 FAs in the sample and as a percentage of the sample.

When questioned in the interviews on their own and their clients' reactions to the use of AV technology throughout the COVID-19 crisis, Table 9 indicates that participants were more positive than negative in their feedback. From the FA's perspective, a range of reasons were given extolling the virtues of technology use, including the convenience and resultant time savings, for example, from less travel time, less preparation time and shorter meetings. As a result, participants felt that they could see more clients or see clients more often, get back to clients quicker and reach more clients at once, for example, via a webinar. Participants espoused the flexibility of the AV technology, namely the ability to screen-share information or important documents, gain digital signatures and meet compliance measures through the recording of meetings. Some participants also expressed the benefit of technology use amongst their staff, for example, allowing team members to meet frequently online irrespective of their location, and the use of programs such as Microsoft Teams, which allow team members to communicate while freeing up email inboxes for important client communications.

My licensee won't allow you to renew [the client's] review agreement without seeing [them] face-to-face ... at the moment they're allowing you to do reviews via video link, whether that will continue after this, I'm not sure ... it just means it opens up another avenue to actually review your clients and continue on that relationship.

Interview 1

I mean, we've moved to doing Zoom with our clients and we do record all those meetings. That makes a real difference in terms of compliance too. So there's been some benefits of the current crisis and some different types of technology about making sure that we've protected the business as well as protected the client.

Interview 2

When someone does a Zoom meeting, they kind of want to get straight into the meeting. So it's sped up our meeting time. So therefore I feel ... I can move through those meetings faster, servicing more of my clients.

Interview 16

I'm using DocuSign for signing documents now. That is much better. I don't have to print out all the paperwork to implement advice. Yeah, so it's forced efficiency. And talking to your staff like this. Fantastic.

Interview 17

And then just internally our communication using Teams, it's been a win for our team as well because they now don't have to fill up each other's inbox with stuff, they actually can just message each other via Teams. ... This has been a revelation for our team just to be able to chat and communicate with each other internally through Teams, that'll stick as well.

Interview 19

Table 9. Themes by number of mentions—Technology

Main Theme	Sub-theme	Participant mentions (<i>n</i> =21)	Total mentions
Adviser reactions	Positive	20	35
	Negative	13	29
Client reactions	Positive	13	18
	Negative	8	10
	Mixed	7	11
Use of technology	Mixed approach	8	12
	Will continue to use	6	6
	Will not continue to use	4	5

This table summarises the data on the themes of adviser reactions, client reactions and the use of technology by firms during COVID-19. This data is reported by the FAs and thus the results are presented as a count of the number of participants who mentioned a particular reaction to a theme, along with the number of total mentions. Total mentions is a count of the number of times a sub-theme was mentioned by participants, where a participant may mention a sub-theme multiple times.

While participants noted that online meetings made scheduling easier, particularly with busy clients they struggled to get into the office, one participant believed that the effort made by clients to attend a face-to-face meeting makes them more engaged, increases the permanence of the meeting in their mind and means they get more out of the process.

Someone has to get in the car and they've got to drive here and when they're in the car, they're thinking about what [sic] the meeting they're coming to. And when they're in the car going home, they're thinking about the meeting they've just come from. When you're in a Zoom meeting like this, you walk into it and then you walk out of it and a lot of it just gets lost. You know what mean?

Interview 4

A positive comparison was also made to the GFC, highlighting the role of AV technology during a market crisis.

The use of technology has meant that it's been significantly easier to get to everyone. So when it was all happening, I was doing between four and six video calls a day with clients, talking to them about what it was, what it is ... we use Vanguard ... we got their economists to talk via webinar to our clients. And so, the capability, the technological capability has meant that we were able to get to people quicker. Certainly, compared to the GFC where it was just hard, you had to physically see people, lots of people, phone calls. It's different, if you've got some video you can still eyeball people so to speak.

Interview 3

Being able to see their clients online was also deemed important for maintaining a level of social contact and allowing non-verbal communication to take place.

I don't think you can ever substitute face-to-face contact. Still, being able to have that non-verbal communication and sharing the same kind of information in a visual way, I found from my perspective that was still very, very effective.

Interview 11

However, some participants noted that it was harder to read clients' body language using AV technology than it was when advice was delivered face-to-face. Particularly with a new client, where a relationship had not yet developed, it was harder to pick up on the client's subtleties. Further, identification checks for new clients still needed to be performed in person.

You need to have somebody in the same room to see the body language. A flat screen like this I can see you, but it's not the same. I mean, are you folding your arms? Are you seated forward, are you backwards? Are you, you know you really do need to contemplate those subtle positioning [sic] of the client. You can tell if they're not comfortable, they've folded their arms. And you need to actually eyeball them, and it's not the same on a flat screen as it is face-to-face.

Interview 10

I had a couple of new client meetings via video conference, and I didn't enjoy those. They were much harder. So I think my reflection on that is that you need to have a level of comfort in the relationship for it to flow smoothly. I was self-conscious of seeming like I was pitching at people, it just seemed, yeah, it wasn't the same doing it via video conference as it is sitting in a meeting room with a cup of coffee where you're in physical proximity.

Interview 22

Others commented that during times of crisis, when emotions are high, they would often use physical gestures or contact to provide empathy or console clients. But, this was not possible through AV technology.

I think the conversation is different, so the empathy, and that's probably the difficulty about Zoom meetings at the moment. I'm not actually able to reach across the table and hold someone's hand in crisis ... and I've got a few clients who ... they're older and the coronavirus is much more of a threat to an older client. We had a lot of estate planning conversations that took place. ... They're hard conversations to have down Zoom. When you can't reach across the table and talk to someone about their own mortality and some decisions that they might need to make at end of life stage.

Interview 2

I've had people cry in my office. Not because of what I've said, but because of their situation. You know, actually being able to like give them a tissue. Or like, some people at the end of their interview or their appointment, will even give me a hug. You know it's things like that. ... You can't hug someone on the Internet.

Interview 20

Some participants mentioned the issues of technology fatigue, missing interacting with their colleagues in person, in particular, the sense of purpose, routine and motivation from being in the office, and for younger staff members, the difficulties of reaching out to senior staff members for mentoring over the internet.

I think the ability just to be in the office and to ask questions on a face-to-face kind of level is obviously much more helpful. I think doing it over Skype and Microsoft Teams, whatever it is, I think a lot of the times we've had to schedule time in, and it's kind of, it's an easy way for the other person to get out of it. Whereas if I'm in the office, I can just put my head over to the wall and say "Hey, can you help with this?"

Interview 7

You know it's not the same, it's just not the same. I couldn't do this full time. And you know, there's a Zoom, you know, not an illness, but condition. You know you're over-Zoomed. There's some study or research...about the negatives of Zooming.

Interview 10

Similar to their own views, participants indicated that clients were more positive towards AV technology than they were negative. The results in Table 9 also indicate that some participants experienced mixed reactions of clients, with views largely differing based on the age of the client. Participants specifically mentioned their clients' appreciation of the convenience and more casual nature of the online meetings, such as the fact that they could wear casual clothes, that they did not have to travel into the city for a meeting and that the meeting could be held at any time of day. Clients with negative sentiment towards technology were largely driven by a lack of technical skills and a preference for phone calls, particularly amongst older clients, as well as poor internet service in more remote areas. Comparisons were again made with the GFC, but this time the comments highlighted the technological difficulties arising as a result of not being able to communicate face-to-face.

With the global crisis, you could go and see clients so they could talk to you face-to-face which assists them. When this got thrown up, of course you couldn't go and see clients you, so you had to change every way that you would deal with that client normally. And so that even threw up issues with trying to teach clients, if they had a computer or a mobile phone, how to FaceTime you, so that they could still see you so they could get comfort that it is you that they're talking to. And older clients, you know, that don't have anything, and they just have to be happy with the telephone call.

Interview 1

The client's been very happy to have audio visual meetings. I think it's a great change in the marketplace because ... if you need to have a review and they're just too busy, doing one of these [online meetings], emailing them the review report and having a chat like this, I'm actually loving it and they are loving it.

Interview 17

So a lot more face-to-face but online, and people really appreciate that and I appreciate it ... they really enjoyed the process as well, which is good because they can be at home comfortable with a glass of wine.

Interview 20

I think the only issue ... a lot of older people aren't set up for it and don't have enough to do with computers, or the internet may not be as strong in the country areas.

Interview 23

The issue of human connection was also thought to be an issue for clients. Some clients found the use of cameras disconcerting in terms of not knowing where to look, not being able to make eye contact with their FA and not being able to tell if they had their FA's full attention, with some preferring phone calls rather than AV technology.

So I think some clients find that really disconcerting, having that kind of jumping from what is the eye to what they see.

Interview 11

I think it's even easier to write notes if you're in the room with someone, because they know that you're taking notes rather than if I was sitting here with you going like this and talking, I could be doing anything, I could be doing some other work while you're talking as a new client. That seems different, so we're trying to do more online, but we've had quite a few older clients that said, "Oh no, I'd rather just have a phone call."

Interview 18

For others, they needed the social connection of visiting the offices. The social and mental wellbeing needs of some clients to physically connect with and spend time with their FA was listed as a key reason for why some clients displayed an aversion to the use of technology.

I think there's a social value in what we do, particularly our clients who are retired, they've got a bit more time on their hands. So they, at the first available opportunity, some of them were like, "Can we come back in yet? Are we allowed to come into the office?" And so it's horses for courses. Some people have really embraced it and loved it and others not so much.

Interview 19

Most people don't like it. ... They prefer the company. They want personal touch when they come into the office. We have a lovely coffee machine. You can smell the nice coffee when you come in. It's a safe place. They want to come and we're humans, we want connection. ... So we've set up the office to have a nice meeting room with comfortable chairs. It's enclosed, it's safe and secure, and it's a place where they can come and feel safe and they can discuss things that they may not be happy to discuss in other environments, and so that is the value of it.

Interview 21

However, on the basis that most clients had got used to using the technology, or as reported in Table 9, were mostly positive about technology, most participants also believed the use of AV conferencing would continue in the foreseeable future. Nonetheless, the majority of participants indicated they would provide flexible choice offerings, allowing their clients to choose whether to meet face-to-face, online or over the phone.

I've used it enough over the last three months. Now that I can help people, I can share the screen to people, I can present advice, present things to people and they, I think they enjoyed it. The feedback seems to be pretty good. So I think I'm looking forward to a mixture of both going forward. I think I probably won't do as much travel as I used to do.

Interview 5

5.7 Impact of regulation during COVID-19

A series of questions were asked in order to ascertain the impact that certain aspects of industry regulation had on participants' ability to provide value to clients during the COVID-19 pandemic. The recent modifications by the Australian Securities and Investments Commission (ASIC) relaxing critical timeframes on the provision of Statements of Advice (SOAs) and Records of Advice (ROAs) to clients during COVID-19 (ASIC Corporations (COVID-19—Advice-related Relief) Instrument, 2020), and also imposing a \$300 capped fee for superannuation withdrawal advice, were two topics broached with participants. The vast majority indicated that the rule changes had no effect on their business processes. Instead, participants said they continued running their business as they usually would by following their own procedures and practices.

With some of the different rule changes, we've, I guess, considered them occasionally, but we haven't had to use them. We've been able to use our own processes ... some of the changes that are there temporary, but you know, best practice is probably what we're already doing. And if we can work within those timeframes, then that's fine. So it's good that they're there in case we've needed to rely on those measures, but we haven't had to as yet.

Interview 15

However, a small number of participants did take advantage of the temporary ruling amending the timeframe FAs are required to adhere to when providing an SOA to clients. The relaxation of the Corporations Act by ASIC, allowing FAs up to 30 days to provide an SOA to client instead of the standard 5 days was welcomed by one participant who celebrated the effect this had on them being able to service their regional clients better. Some participants were also in favour of ASIC keeping this rule post crisis.

A 5 day critical time frame is really difficult if it's a regional client. Whereas going to a 30 day critical time frame to get your advice document out is fantastic. It just means for regional clients... it can take two to three weeks for the mail to arrive at them, believe it or not. In this time, it can be up to five weeks for their mail to arrive, so you know. ... So it just means you have extra flexibility and it'll be fantastic if that continues.

Interview 1

Another participant discussed the benefit of being able to provide time critical advice within a short timeframe and backing it up with an advice document at a later date. The participant was able to provide value to their clients by taking advantage of the rapid market fluctuations experienced during COVID-19, through efficient service transactions.

The risk that we faced was that if we waited two weeks to prepare an SOA for a client before they invested money, it would have cost them a significant amount. And so it was making sure that transactions could be done in a way that met their timeframe and not our timeframe. ... So the fact that we could engage with clients and act on instructions and give them guidance without there being a two-week lag, that was really good.

Interview 22

None of the participants in the sample had clients who made use of the \$300 capped fee for superannuation withdrawal advice, because it was not deemed financially viable for them to offer this service, their clients did not enquire about it, or the withdrawal of superannuation was not seen as relevant for their client base. For example, mature clients already have the ability to withdraw money from superannuation, so this service was not relevant to them. While those participants who did field enquiries from their clients, the general stance was to steer their clients away from the withdrawal of superannuation funds, if possible, due to the long-term financial ramifications.

Not one of my clients have needed to take the money out of super and I wouldn't have encouraged that anyway, but that's not the sort of structuring and advice that I believe in. If they were in dire straits and it was a last possible resort. ... And the super system should be actually sacred, it should be bipartisan, the way that each party treats super is appalling.

Interview 2

That hasn't really applied to us because we have taken the very firm position of, again, generally speaking, don't do it. Don't do it, because we have been fortunate in that we haven't had too many clients that have legitimately been on the financial bones of their backside as a result of this, they've had other solutions to get them through. JobKeeper was absolutely an angel from heaven in terms of that, so we haven't really had to utilise those provisions. And I put it to you that if you're dealing with clients where you've got a cap of \$300 to do any kind of advice, and this is where the framework that we have working, is quite broken. We are basically working pro bono at that stage, no doubt... I really think that was a stupid bit of legislation.

Interview 11

Capping the fee, I understand why it had to be done. It's not from a business point of view, it just isn't viable for us to prepare an ROA and it's not the document physically, it's the larger living that lies with the document going forward. And to pull that together and do the research for \$300, it's just not, it's just not doable, so we didn't avail ourselves of anything to do with it.

Interview 12

The ruling relating to a reduction in minimum pension payments was discussed by some participants with their clients, who indicated they were happy to take the reduced minimum due to their healthy financial situation.

Participants offering this service to their clients felt there was little impact on their bottom line as the advice process was relatively swift and straightforward to implement.

Certainly, the reduction in the minimum pensions ... coming from a client base who is a relatively sophisticated client base ... we just shot information out to them about this is what the government has released. And for the most part, most of them, instead of taking more than the minimum were taking a set amount anyway, they need that to live off anyway. So it didn't impact them on the venture side of things. ... So as soon as they read it, they just said yep we'll just take the reduced minimum, so it wasn't the case that we really needed to give much advice around that.

Interview 14

5.7.1 Impact of regulation outside of COVID-19

While the interview questions only examined the impact that regulation had on FAs during the COVID-19 pandemic, many participants voluntarily discussed the affect that other regulations had on their ability to add value to clients throughout their general business dealings. The main source of frustration was the increase in participants' cost to serve their clients due to increased regulatory requirements. Many participants voiced their frustration over how additional compliance measures have led them to increase their fees, which as a result has made the cost of advice prohibitive for some people and resulted in them losing clients.

5.8 Comparative analysis

The results presented here compare the Stage 1 and Stage 2 survey results. In Stage 1, 105 participants completed only a survey. In Stage 2, 21 participants completed a short online survey prior their interview. The Stage 2 survey was designed to re-test a subset of questions on the value of advice from Stage 1, in the context of personal and global crises, such as the COVID-19 pandemic. Many differences between the two samples are not statistically significant. This is likely due to Stage 2 having a small sample size ($n=21$). Caution should therefore be taken when interpreting these findings as they are indicative only. Future research could re-test the crisis context with a larger sample.

Participants were asked the degree to which they believe financial advice improves various dimensions of client wellbeing, namely financial, mental, physical and social, with the results presented in Figure 2. A score of 10 indicates a significant improvement and a 0 indicates no improvement. Average ratings are also provided in the table. The left side of the table titled 'Value of advice' displays the results from Stage 1, where participants were asked to think about the value of advice to clients more broadly, while the right side of the table titled 'Value of advice in a crisis' presents the results from Stage 2 of the research, where participants were asked about the value of advice during crisis situations. Results are ordered from highest to lowest, using the average ratings collected in Stage 1. While average ratings are useful, they can hide the range of participants' views. The share of participants who selected each rating has therefore also been included and colour has been used to indicate the strength of consensus around different ratings, with darker shades indicating more participants selected that rating.

Figure 2. Impact of advice on client wellbeing

	Value of advice (%)													Value of advice in a crisis (%)												
	Average rating	N/A	0	1	2	3	4	5	6	7	8	9	10	Average rating	N/A	0	1	2	3	4	5	6	7	8	9	10
Financial wellbeing	8.60	0	0	0	0	1	1	1	1	12	30	21	32	8.90	0	0	0	0	0	0	0	0	10	29	24	38
Mental wellbeing	8.08	0	0	1	0	0	1	4	9	17	28	18	23	8.76	0	0	0	0	0	0	0	0	5	38	33	24
Social wellbeing	6.76	0	0	3	2	2	7	10	15	22	20	10	9	8.00	0	0	0	0	0	0	0	5	38	24	19	14
Physical wellbeing	6.52	0	1	2	3	3	8	16	14	17	15	12	9	7.76	0	0	0	0	0	0	5	14	29	19	19	14

Measured on a 0 – 10 Likert scale

FAs rated the advice they provided during times of crisis as having a greater positive impact across all four wellbeing dimensions, than during non-crisis times. There was no statistically significant difference (hereafter abbreviated to n.s.d.) between the impact that financial advice in a crisis has on clients' financial and mental wellbeing; with both viewed as improving greatly as a result of advice (average rating 8.90 and 8.76 respectively; n.s.d.). However, there appears to be slightly greater consensus among participants about the value of financial advice in a crisis for clients' mental wellbeing, as indicated by the dark red shades in row 2 of Figure 2. Further, the impact of advice in a crisis on both clients' financial and mental wellbeing (average rating 8.90 and 8.76 respectively) was viewed as statistically larger than the impact of advice on clients' social and physical wellbeing (averaging rating 8.00 and 7.76 respectively; $p < .05$).⁴ Again, there was n.s.d. between the Stage 2 ratings for clients' social and physical wellbeing, indicating that financial advice impacts these types of wellbeing equally and to a lesser extent than financial and mental wellbeing (average rating 8.00 and 7.76 respectively; n.s.d.). In contrast, financial advice more broadly, as measured in Stage 1, was thought to have a significantly larger impact on clients' financial wellbeing (average rating 8.60), than their mental, social and physical wellbeing (average rating 8.08, 6.76 and 6.52 respectively; $p < .05$, $p < .01$ and $p < .01$ respectively).

FAs did not see a significant difference between the impact of financial advice on clients' financial (average rating 8.90 and 8.60 respectively; n.s.d.), mental (average rating 8.76 and 8.08 respectively; n.s.d.) or physical wellbeing (average rating 7.76 and 6.52 respectively; n.s.d.) during a crisis, when compared to advice more broadly. However, social wellbeing was viewed as improving significantly more as a result of receiving financial advice in a crisis, than after receiving advice in a non-crisis environment (average rating 8.00 and 6.76 respectively; $p < .10$). This was also evidenced in the semi-structured interviews where participants touched on the benefits that friendly social communication provides during times of crisis, particularly for older clients.

Like a lot of the retirees were up for a chat because they couldn't play golf, they couldn't see their mates, they couldn't go away, trips were being cancelled around them and they were suddenly thinking, "Oh geez, this retirement thing's got hairs on it". So they were up for a chat. So your normal 10 minute conversation became 15-20 minutes. But that's okay you know, that's part of what it's all about.

Interview 5

⁴ $p < .10$, $p < .05$ and $p < .01$ denote results which are statistically significant at the 10%, 5% and 1% levels, respectively.

Participants were asked to identify FA factors which drive or inhibit the value clients receive from financial advice by rating each factor on a scale of 0 to 10, where 10 indicated a strong driving factor and 0 indicated a strong inhibiting factor. As illustrated in Figure 3, from Stage 1, the top two FA factors which were viewed as generating the greatest benefit for clients broadly were: acting in the client's best interest (average rating 8.48) and the FA's experience (average rating 8.23). During times of crisis, the top two FA factors driving the value of financial advice for clients were: acting in the client's best interest (average rating 8.95) and adviser's professional demeanour/"bedside manner" (average rating 8.71). Thus, acting in the client's best interest is still deemed to be the strongest driver of advice whether clients are experiencing a crisis or not. However, it is considered a more important driver of value in the context of crisis (average rating 8.95 and 8.48 respectively; $p < .10$). Similarly, an FA's professional demeanour/"bedside manner" was also viewed as driving value more during a crisis (average rating 8.71 and 7.32 respectively; $p < .05$). Similar to Stage 1, on average, none of the factors were viewed as inhibiting the value that clients receive from financial advice during a crisis.

Figure 3. Impact of adviser factors on the value of advice for clients

	Value of advice (%)													Value of advice in a crisis (%)												
	Average rating	N/A	0	1	2	3	4	5	6	7	8	9	10	Average rating	N/A	0	1	2	3	4	5	6	7	8	9	10
Act in client's best interest	8.48	0	0	2	2	0	0	3	5	12	18	20	39	8.95	0	5	0	0	0	0	5	0	10	19	62	
Experience	8.23	0	1	1	1	3	1	3	2	10	27	19	32	8.38	0	0	0	0	5	0	0	10	10	14	33	29
Technical competence	7.80	0	0	0	2	0	5	6	5	21	27	14	21	7.95	0	0	0	0	0	0	14	5	24	14	14	29
Face-to-face advice model	7.58	0	0	1	2	1	4	10	10	9	28	18	18	6.86	0	0	0	14	5	5	10	0	19	14	5	29
Professional demeanour / 'bedside manner'	7.32	1	0	0	2	0	9	11	11	17	18	15	17	8.71	0	0	0	0	0	0	5	19	14	24	38	
Continuing professional development	7.26	0	0	1	5	1	3	16	8	16	12	19	19	7.76	0	0	0	0	0	0	14	10	14	24	24	14
University qualifications	6.73	0	2	0	4	5	3	17	9	20	19	9	13	5.29	0	14	0	14	0	0	14	14	24	0	14	5
Designations	6.72	1	1	2	6	2	7	16	7	14	19	11	13	5.19	0	10	5	10	0	5	24	10	19	10	5	5
Diploma of Financial Planning	6.53	1	0	2	5	4	7	20	8	17	15	10	12	4.71	0	5	10	14	0	5	29	14	14	5	0	5
Risk seeking	6.30	5	1	2	7	4	2	17	14	17	14	11	6	5.24	0	5	0	14	10	10	24	5	10	5	14	5
Business structure / licensing agreement	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	5.70	1	10	0	14	0	5	19	0	5	24	14	5

Measured on a 0 – 10 Likert scale

While there was no significant difference between the ratings for FAs' experience between the two research stages, FAs' qualifications and designations were judged as less of a driver of value during crisis compared to advice situations more broadly. This is particularly true for the Diploma of Financial Planning (average rating 4.71 and 6.53 respectively; $p < .01$) and FA designations (average rating 5.19 and 5.72 respectively; $p < .05$). The impact of FAs having a university qualification on value for clients was not viewed as different during times of crisis compared with non-crisis situations (average rating 5.29 and 6.73 respectively; n.s.d.). These results, together with the quotes from the semi-structured interviews, indicate that FAs believe other factors previously mentioned, such as acting in the client's best interest, their professional demeanour and their experience, are more beneficial to the advice process during a crisis than one's designations.

I suppose what I'm saying is that you don't have to have a Masters in Financial Planning in order to be able to give good advice. There are people who have come up through the industry that haven't got the educational qualifications that are actually excellent advisers. ... So just because somebody does or doesn't have a piece of paper doesn't mean they're a good or bad adviser.

Interview 10

When a client comes to see me, they don't ask me for my qualifications. They don't ask me for my license. They don't even look at a Financial Services Guide or the Privacy Statement. They don't care. Why they're coming to me is that they're coming from a trusted source ... They come to somebody with experience who has the ability to assess something quickly, to put together a strategy and to work with the client to find a solution. ... I've never been asked, "Have you got a degree?"

Interview 21

I just think that the way that the lifting in professional standards has gone, just looking at degree qualifications, misses out a whole heap of what older advisers who are not necessarily as qualified bring to the advice piece ... I think that for people that have got an appropriate degree, they've obviously got the theory and the technical side of things ... for me it isn't so much about the technical side of things. That's a given that you'll get that from somewhere. I think that the role that I play is to help people to understand things. ... And obviously I don't know what [sic] really what current courses teach, but I think that those skills, those soft skills, those life skills, you learn in front of real situations ...

Interview 22

Participants were also asked to identify client factors which they believe drive or inhibit clients benefitting from financial advice. The same 0 to 10 rating scale used to identify the FA factors was used in this question, where 10 indicated a strong driving factor and 0 indicated a strong inhibiting factor. As illustrated in Figure 4, the top client factors which are most beneficial to the advice process from a broader perspective are: trust, being highly involved in the advice process and being concerned about their situation (average rating 7.68, 7.21 and 7.02 respectively; n.s.d.). In comparison, the top client factors driving the value of financial advice during times of crisis are trust, being concerned about their financial situation and being a new client (average rating 8.24, 7.95 and 7.71 respectively; n.s.d.). The results across both samples indicate that the more emotional, intangible client factors such as trust and concern are deemed by FAs to be the most important client factors whether clients are experiencing a crisis or not. While these client factors were rated more highly by FAs during times of crisis compared to the broader advice context, the differences between the samples are not statistically significant.

Figure 4. Impact of client factors on the value of advice for clients

	Value of advice (%)														Value of advice in a crisis (%)													
	Average rating	N/A	0	1	2	3	4	5	6	7	8	9	10	Average rating	N/A	0	1	2	3	4	5	6	7	8	9	10		
Trust their adviser	7.68	0	0	2	3	0	5	6	8	11	27	20	20	8.24	0	0	0	0	5	5	0	10	5	19	24	33		
Highly involved in the advice process	7.21	0	1	1	2	3	3	11	15	12	18	17	16	6.57	0	0	0	0	5	10	10	14	33	19	10	0		
Are concerned about their financial situation	7.02	0	0	3	3	9	5	9	8	14	14	12	24	7.95	0	0	0	0	0	5	5	5	24	19	24	19		
New client	6.26	3	2	3	4	4	10	20	6	14	10	13	11	7.71	0	0	0	0	5	10	0	19	5	14	19	29		
Low financial literacy	6.02	0	5	9	6	7	9	10	8	9	8	10	22	4.52	0	0	24	5	5	24	10	5	10	10	5	5		
Risk seeking	5.99	1	2	2	5	7	6	20	18	13	10	9	8	5.24	0	0	0	14	10	10	19	19	19	5	0	5		
Low cash flow	5.72	0	7	12	10	2	6	7	8	12	7	11	19	4.10	0	10	29	14	5	0	5	10	5	0	14	10		
Short investment horizon	5.54	0	1	8	8	11	9	13	12	10	11	8	10	3.10	0	5	24	38	0	10	5	0	14	0	0	5		
Being young	5.33	0	2	11	9	11	7	11	9	12	10	9	10	4.43	0	0	10	14	19	5	24	10	10	5	0	5		
Low net wealth	5.19	0	6	14	9	8	6	10	7	9	13	8	11	3.67	0	5	29	14	14	5	10	5	0	10	0	10		
Regional location	5.12	0	1	12	9	7	6	21	16	10	7	6	7	4.43	0	10	5	10	5	5	52	5	0	0	0	10		

Measured on a 0 – 10 Likert scale

Being a new client was viewed as a stronger driver during times of crisis compared to the broader advice context (average rating 7.71 and 6.26 respectively, $p < .10$). When the Stage 2 participants were asked in their semi-structured interviews to elaborate on why they held this perception, they tended to focus on one of two things: either the fostering of a new client relationship, which can be particularly tenuous in difficult or emotional times and therefore more time-consuming to nurture, or the greater perceived impact that sound strategic advice has on their new client's financial situation. Participants were mindful that new client relationships take time to build and that trust can take longer to establish during a crisis when clients are fragile and not thinking as clearly as they usually would. Participants were also cognisant of the value they provide to new clients from a strategic perspective, commenting that new clients may lack understanding of the benefits of certain financial strategies, or that new clients see the value of advice more immediately [or – within a shorter timeframe] due to the implementation of new strategies.

Generally there is a lot you can do with a new client, because most clients there are some strategies that they don't understand or haven't considered for themselves yet or have never heard of. Even some clients come to me and say, "Is this real, can you really do this? Is this legal?" ... Because they just didn't realise that that valuable strategy was there.

Interview 15

[With] existing clients you've got the relationship, you've got the history, you've got familiarity with them so it's a bit more relaxed with an existing client. With a new client you certainly have to work a lot harder, especially at the moment with what is going on in the industry. I've certainly found that I need to work a lot harder to build that trust with a [new] client, to build that relationship. Yeah, there certainly is a difference between new and existing clients.

Interview 14

While the Stage 1 participants did not, on average, consider any client factors to inhibit clients from receiving value from the advice process (i.e. no ratings under 5), several factors were considered to inhibit value when advice is provided in the context of a crisis. Namely, low financial literacy (average rating 4.52), being young (average rating 4.43), living in a regional location (average rating 4.43), low cash flow (average rating 4.10), low net wealth (average rating 3.67) and short investment horizon (average rating 3.10). Having a short investment horizon also becomes more of an inhibiting client factor during crisis (average rating 3.10 and 5.54 respectively, $p < .005$).

We don't want to engage someone for a short horizon, because it's a transaction, and advice as we've just been talking about ... is much more about the relationship. So we don't engage clients on a transaction [as] they're missing most of the value of the advice. They're getting some strategic technical advice, but it doesn't really necessarily do for them what we think advice really will do for them if they stick around as a relationship client.

Interview 19

We don't generally want a client that has an in and out methodology, that's trading, that's speculating, and so that's not what we're about. We're actually about generating a long-term wealth, a lifetime program. So if you want to do the punting then we're not the right house for you.

Interview 21

Participants' views of how frequently they add value to their clients through the provision of a range of actions are presented in Figure 5. A 0 to 10 scale was again used with a 10 representing frequently and 0 representing never. The intangible act of providing peace of mind to clients (average rating 8.92 and 9.35 respectively; n.s.d.), educating clients (average rating 8.79 and 9.00 respectively; n.s.d.) and assisting with decision-making (average rating 8.59 and 8.96 respectively; n.s.d.) were viewed as the most valuable actions performed by FAs, irrespective of whether their clients were receiving advice more broadly or receiving advice in a crisis, with no significant difference noted between the ratings provided in Stage 1 and Stage 2 or the actions within each stage of research. In addition, the application of a FA's specialist or technical knowledge was also viewed as one of the actions most frequently creating value for clients in the broad advice context; however, it was not seen to add value as frequently during a crisis (average rating 8.51 and 8.30 respectively; $p < .10$). Helping clients create savings habits (average rating 6.48 and 7.80 respectively, $p < .05$) and manage their debt (average rating 6.04 and 7.38 respectively, $p < .01$) were actions undertaken less frequently during the crisis compared to when undertaken in non-crisis times. This could be because participants deemed other actions, such as providing peace of mind, education and assistance with decision-making, as paramount during times of crisis or because clients had already adjusted some of these areas without seeking professional advice as discussed in the background literature.

Figure 5. Frequency with which actions taken by advisers add value for clients

	Value of advice (%)													Value of advice in a crisis (%)												
	Average rating	N/A	0	1	2	3	4	5	6	7	8	9	10	Average rating	N/A	0	1	2	3	4	5	6	7	8	9	10
Providing peace of mind	8.92	1	0	0	0	0	0	1	0	12	15	34	36	9.35	0	0	0	0	0	0	0	0	19	19	62	
Educating clients	8.79	0	0	0	0	1	0	1	5	12	18	17	46	9.00	0	0	0	0	0	0	5	5	14	33	43	
Assisting with decision making	8.59	0	0	0	0	1	1	1	6	10	22	26	33	8.96	0	0	0	0	0	0	0	14	5	48	33	
Through specialist / technical knowledge	8.51	0	0	0	0	0	1	3	4	14	25	21	32	8.30	0	0	0	0	0	5	10	10	33	10	33	
Reducing client's administrative burden	8.11	0	1	1	0	0	1	6	9	14	19	21	29	7.30	0	0	0	0	5	0	5	29	33	10	19	0
Keeping clients accountable / on track to reach their goals	8.07	0	2	1	0	0	1	4	10	11	20	25	26	8.13	0	0	0	0	0	0	19	10	33	14	24	
Asset allocation / diversification	7.94	3	1	0	0	1	2	6	9	11	30	16	22	8.48	0	0	0	0	0	5	0	10	33	33	19	
Creating savings habits	7.80	2	2	0	0	6	2	3	5	17	18	25	21	6.48	0	0	5	5	10	0	5	10	29	19	5	14
Modifying or accounting for behavioural / emotional biases	7.71	0	0	0	1	0	2	8	12	20	23	16	18	8.22	0	0	0	0	0	5	5	10	38	24	19	
Investment performance	7.40	4	1	2	2	1	4	9	9	11	26	16	16	6.87	0	5	0	0	0	5	14	10	19	33	10	5
Management of debt	7.38	1	2	2	2	4	3	6	9	13	18	26	15	6.04	0	5	0	0	14	5	10	10	38	5	5	10
Reducing information search costs	7.26	0	2	2	0	1	0	10	15	22	20	12	15	6.91	0	10	5	10	0	5	14	5	10	14	19	10
Reducing trading frequency	6.75	5	2	3	2	3	5	17	8	15	16	7	18	6.13	0	0	0	0	5	0	5	29	33	10	19	0
Referrals	6.73	1	4	0	2	4	4	18	8	13	22	16	9	7.65	0	0	0	0	0	14	10	14	24	24	14	

Measured on a 0 – 10 Likert scale

Participants were also asked to rate the benefit of different financial services to clients using a 0 to 10 scale, where a 10 indicated that the financial service is of significant benefit to clients and a rating of 0 means the financial service is of no benefit. Figure 6 shows that the financial advice services of most value to clients in non-crisis times were also thought to be of most value during a crisis. These services were cash flow management (average rating 8.58 and 7.95; n.s.d.), investment advice (average rating 8.49 and 7.86; n.s.d.) and superannuation advice (average rating 8.22 and 7.90; $p < .10$), with no significant difference noted between the services within each stage of research. In times of crisis, behavioural coaching (average rating 7.76), debt management/counselling (average rating 7.14) and estate planning (average rating 7.05) were

also thought to be equally valuable, with the ratings not being significantly different to cash flow management, investment advice and superannuation advice.

Figure 6. Value of different financial services for clients

	Value of advice (%)													Value of advice in a crisis (%)												
	Average rating	N/A	0	1	2	3	4	5	6	7	8	9	10	Average rating	N/A	0	1	2	3	4	5	6	7	8	9	10
Cash flow management/ budgeting / saving advice	8.58	0	0	0	0	0	1	7	3	9	18	30	33	7.95	0	0	0	0	5	0	5	5	14	33	19	19
Investment advice	8.49	0	0	0	0	0	1	5	5	9	28	22	31	7.86	0	0	0	0	0	5	10	10	14	24	10	29
Superannuation advice	8.22	0	0	0	1	1	3	3	10	8	26	20	30	7.90	0	0	0	0	0	0	14	24	33	14	14	14
Tax advice	7.99	0	0	0	2	1	1	7	8	15	23	18	26	6.05	0	0	0	10	14	5	14	10	19	5	14	10
Insurance advice	7.78	3	0	1	1	3	3	8	10	11	11	25	24	6.24	0	5	5	5	5	0	14	10	24	10	14	10
Estate planning	7.76	2	0	0	3	3	0	5	10	19	17	20	21	7.05	0	0	5	5	5	5	0	14	14	14	24	14
Debt management/ counselling	7.74	0	1	0	1	1	1	10	10	17	19	21	20	7.14	0	0	0	5	10	5	0	5	24	19	24	10
Mortgage brokerage	6.92	7	2	1	3	3	1	15	13	15	11	13	15	4.81	0	24	0	0	10	5	14	5	29	0	10	5
Behavioural coaching	6.89	2	1	1	2	6	5	13	12	15	16	9	18	7.76	0	0	5	5	0	5	5	0	5	24	29	24

Measured on a 0 – 10 Likert scale

While there was no significant difference noted between the ratings provided in Stage 1 and 2 of the research for cash flow management and investment advice, indicating that FAs perceived these services as providing equally significant benefits to clients in times of crisis and more broadly, superannuation advice was thought to be less beneficial to clients experiencing a crisis. Tax advice (average rating 6.05 and 7.99 respectively; $p < .01$), insurance advice (average rating 6.24 and 7.78 respectively; $p < .10$), estate planning (average rating 7.05 and 7.76 respectively; $p < 0.10$) and mortgage brokerage (average rating 4.81 and 6.92 respectively; $p < .01$) were all perceived as less beneficial to clients experiencing a crisis, receiving statistically lower average ratings in the Stage 2 crisis sample compared to Stage 1. In contrast, behavioural coaching was viewed as more beneficial during times of crisis (average rating 7.76 and 6.89 respectively, $p < .10$).

The lower perceived benefit to clients for many services provided during times of crisis implies that it is not the merely the administering of product-based services that benefits clients during a crisis, rather it is the relationship and the nurturing of clients' wellbeing that is more important. That participants have vocalised their views about trust, ethical behaviour and the provision of various elements of social support which gives weight to the argument that the financial advice process is far more than the supply of and demand for financial products.

6.0 Discussion

The key lessons from the interview evidence are the benefits to clients in established client-adviser relationships prior to the pandemic, the immediate nature of emotional support, especially in a crisis, and the significance of trust in the client-professional relationship. Interview evidence supports FAs as playing an important crisis intervention role. What is clear and impressive from the data is the level of compassion that FAs have for their clients; the passion and willingness to go beyond the bounds of what one might expect financial advice to encompass. Without the formal training provided to other crisis responders, FAs are tasked with looking after their clients' mental wellbeing in addition to their finances. For clients, having someone to talk to is perceived by FAs to be therapeutic and to have a strong impact on their clients' mental state.

As suggested by social support models and crisis theory, the effectiveness of a crisis response depends on the different types of support provided by FAs, such as the information and emotional support provided, leading to a strengthened relationship and increasing the likelihood of the client acting on the advice. However, the benefits beyond the immediate “emotional and psychological first aid” (Roberts, 2005, p. xxi) are seemingly realised by long-term advised clients. The client-adviser relationship is the key to unlocking outcomes; a solid foundation built up over time leads to favourable wellbeing outcomes which remain relatively stable even throughout a global pandemic.

FAs make references to needing to provide reassurance, or increased client contact during COVID-19, but in the main, clients were perceived by FAs to not be overly concerned about their financial position because they were well educated about market fluctuations, had a financial plan in place to manage the situation and trusted their FA, having weathered storms with them in the past. If clients did express concern, FAs reported being able to bring a sense of calm to clients by helping them revisit their goals and objectives. FAs reported that this emotional support was vital and more important during a crisis, often coming first before any other kind of support.

FAs perceive the value of advice is greater during the pandemic and any personal or economic crisis. Advice gives clients confidence and assurance that a professional is on their side and managing their finances with a view to both short- and long-term outcomes and implementing mitigating strategies for market disruptions. Some clients even took the opportunity to invest when markets were low, supporting the literature predicting that a crisis reaction and response would be less for those with positive perceptions of their ability to achieve their goals (Bandura, 1988) and affirming the propositions of Marsden et al. (2011) that the intrinsic value of FAs stems from the way in which they investigate and support client goal setting and that advised clients take advantage of adverse events. These findings convey the enduring value of advice that advised clients have benefited from during the pandemic.

The conceptual framework has been successful in representing the idea that not all types of support are necessary for a client to gain value from professional financial advice and that the ideal level and combination of support required is likely dependent on individual client’s circumstances; that is, the notion that the characteristics of the stressful event confronting the client can be matched with the specific form of social support beneficial to the client’s situation (Cutrona & Russell, 1990). Limitations with the conceptual framework include the overlap between the FA actions themed by social support categories and the difficulty in separating out components of FAs quotes which show many types of interrelated actions, underpinned by, for example, the FAs technical skills, passion and care for the client and their interests and interpersonal skills. Further, a single FA action may have an impact on multiple types of wellbeing.

The survey results offer further insights into the value of advice during a crisis. While there was no significant difference between the impact of financial advice on clients’ financial, mental or physical wellbeing during a crisis, when compared to advice more broadly, however, social wellbeing was viewed as improving significantly more as a result of receiving financial advice in a crisis. Furthermore, the drivers of value during the crisis are found to be different to a non-crisis period. Acting in the client’s best interest, FA professional demeanour and their experience were thought to be more beneficial to the advice process during a crisis than one’s education or designations. The more emotional, intangible client factors such as trust and concern were the client factors deemed to have the largest positive impact on the value of advice during the crisis period, while clients having a short investment horizon was the largest inhibiting client factor during a crisis. Being a new client was viewed as a stronger driver of value during times of crisis compared to the broader advice

context. Some differences were also seen in the perceptions of the value of the different services offered by FAs during a crisis, with behavioural coaching receiving a higher rating during the crisis period.

In terms of the overall findings and the contribution to the literature in relation to the value of financial advice, we concur with the received theory and literature that the value of professional financial advice is complex, multidimensional and has interrelated components of adviser actions and client outcomes that contribute to value. The context of advice provision during a crisis adds further dimensions to this complexity, while reaffirming the value to clients in long term client-professional relationships with FAs. In particular, the behavioural, emotional and broader support provided to clients during the crisis period, in addition to timely financial and investment advice, lends further support to social support theory in relation to the buffer of the effects of economic problems (Cohen & Wills, 1985; Cutrona & Russell, 1990). Our findings also support the notion of the interplay of the various FA support actions and client wellbeing outcomes, where those outcomes are not necessarily discrete as the direct impact on financial wellbeing may have indirect impacts on other components of wellbeing. This also points to the need for further research in multiple contexts, timeframes and jurisdictions to further add to our understanding of, and the body of knowledge on, the value of financial advice.

Overall, the significance of the client-adviser relationship during the COVID-19 pandemic represents an opportunity for the financial advice sector to demonstrate its importance and provide the trusted, supportive, timely advice needed by consumers. The conceptual framework and results provide enhanced insights into understanding the dynamics of the client-adviser relationship and role of FAs, but also other relevant professionals. For example, accountants and lawyers who also engage clients who maybe experiencing a personal or financial crisis and therefore also have the potential to create client value through support outside their primary functional role of providing accounting or legal advice.

7.0 Conclusion

Financial advice in Australia is in transition as stakeholders seek to professionalise the sector. The transition is being driven by a desire to enhance the trustworthiness of the financial advice sector in the eyes of consumers, leading to greater willingness to seek and benefit from these services. Progress is currently undermined by previous failings that have eroded trust and thus stagnated the take up and use of financial advice services by the community. This is argued to be at odds with the potential of the sector to be a critical social and economic contributor that could improve the financial and personal resilience of individuals, households and the economy at large which is increasingly impacted by consumer indebtedness, low savings rates, stagnating wages growth, property unaffordability and an aging population. In short, accessing timely professional financial advice is increasingly important for more consumers.

A key narrative in the positioning and value of advice statements for financial advice has been the benefits of long-term planning which improves the likelihood of achieving goals and protecting against downside risks and other ills that one may suffer in some future crisis or event. The COVID-19 crisis is unfortunately an example of such a situation that has had significant economic, health and personal impacts across the community. It therefore offers the opportunity to examine the impact and nature of financial advice services in the eye of a storm and assess the value provided to clients and how this differs from non-crisis norms.

In this study we use a mixed methods approach to examine financial advice through the perspective of FAs during the COVID-19 crisis in Australia. We find that the crisis period is a critical point in time for FAs to support clients with, in many cases, heightened direct contact and other communications with clients to provide information, reassurance and to assess the impact of the crisis on clients' affairs. It is notable that clients in long term relationships with FAs are reported to panic less as a result of the crisis and are more likely to have strategies in place to buffer them from the crisis, such as a liquidity strategy, income protection insurance, well-diversified investments and an orientation to the long term. Such strategies indicate that the advice process has indeed improved the resilience of those individuals and households. It is also noted that the crisis situation acted as a catalyst to motivate consumers to seek advice, however, in some cases this demand was unmet as FAs focussed their efforts and resources on supporting existing clients.

Regarding new clients, it is suggested that the crisis highlights a lack of preparedness for such situations and the difficulty some consumers have in effectively self-managing their financial affairs in the long run. In many cases, this also led to a greater emotional impact with new clients appearing to be at greater risk of panic than existing clients. It is noted, however, that for some unadvised clients the ability to obtain assistance in the middle of a crisis is challenging and the likelihood of being financially prepared and to have longer term strategies in place is lower. In our view, this reinforces the need to continue to pursue the agenda set out by government and the sector of rebuilding consumer trust and confidence in the financial advice profession as this may lead to more consumers accessing advice in a more timely manner. Thus, the outcomes of this research should be of interest to practitioners, consumers, policy makers and researchers in the field of personal finance.

7.1 Limitations and opportunities for future research

The interpretation of results and discussion in this report should be considered in light of the data obtained and sampling strategy employed. Thus, the results may not be fully generalisable across the advice sector. Additionally, the COVID-19 crisis impacted FAs, clients and consumers to differing extents across the nation and globe. This highlights opportunities to conduct further research in relation to the practice of financial advice in a crisis situation. In particular, investigating the consumer perspective would further add to the body of knowledge, as would closer examination of motivations for engaging in advice during a crisis situation in more detail, including segmenting new clients by type, region and other demographics. Finally, extending this work with a repeat data collection and analysis once the crisis has subsided would also be interesting in an effort to determine longer term and enduring impacts.

7.2 Concluding comments

Overall, we suggest that FAs have played an important role during the COVID-19 pandemic in supporting existing clients across various dimensions and engaging with new clients where possible. The long-term value of advice for clients in ongoing advice relationships is also demonstrated with both a lesser crisis response and more confidence in goal attainment despite the crisis, both of which are in line with the social support and crisis literature. FAs reported this led to their clients being in both a financial and behavioural position to take advantage of the adverse events and, for example, invest when markets were low.

Furthermore, despite the substantial personal and economic costs of the COVID-19 crisis, there is a silver lining for the financial advice profession and their clients in terms of the apparent increase in recognition of non-advised consumers of the need to seek support and the advances made in terms of business practices regarding the uptake of technology to provide access and efficiency. These results present an opportunity for the advice sector to move further towards professionalism and drive broader community awareness of the value of professional financial advice services.

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Appendix 1

Interview guide

1. **Can you briefly outline, what the value of financial advice is to clients?** (In other words, what benefits do clients get from financial advice?)
 - 1a. Probe: Is the value the same for new and existing clients?
2. **Do you think that the value of financial advice to clients is the same or different in times of crisis, compared with more “normal” or “stable times”? Why/how?**
 - 2a. Probe: Is the value of advice in a crisis different for new and existing clients?
 - 2b. Probe: Are there any differences between the COVID-19 pandemic and other types of crises (such as a family crisis (death of a partner or parent), employment crisis or health crisis)?
3. **What are the key things that financial advisers do that help clients navigate a crisis situation?**
 - 3a. Probe: Are these the same for new and existing clients?
 - 3b. Probe: Are these the same in normal times?
 - 3c. Probe: Are there any differences between the COVID-19 pandemic and other types of crises (such as a family crisis (death of a partner or parent), employment crisis or health crisis)?
4. **What services do clients need from their financial adviser during a crisis?**
 - 4a. Probe: Are these the same for new and existing clients?
 - 4b. Probe: Are these the same in normal times?
 - 4c. Probe: Are there any differences between the COVID-19 pandemic and other types of crises (such as a family crisis (death of a partner or parent), employment crisis or health crisis)?
5. **Now I'd like to talk about the relationship you have with your clients and whether having a good relationship with your clients is important to the value they get from financial advice. What are your thoughts on this? Are there any aspects of the client-adviser relationship that add value for clients during times of crisis?**
 - 5a. Probe: Is this the same for new and existing clients?
 - 5b. Probe: Is this the same in normal times?
6. **How do the relationship aspects of providing advice compare to technical advice and services you provide in terms of importance?**
 - 6a. Probe: Is this the same for new and existing clients?
 - 6b. Probe: Is this the same in normal times?

- 7. How have you managed relationships with clients during the COVID-19 pandemic?**
- 7a. Probe: Are there any differences between how you have managed relationships with new and existing clients?
 - 7b. Probe: How does this compare to how you manage relationships in normal times?
 - 7c. Probe: [If survey response indicates no new clients taken on during COVID-19, ask]: Why have you not taken on any new clients during the COVID-19 pandemic?
- 8. In your survey you mentioned that clients been more or less engaged with their finances and the advice process during this time. Can you please elaborate on this some more? How have your clients been more or less engaged with their finances and the advice process during COVID-19?**
- 9. How important is client engagement to the value clients get from financial advice?**
- 9a. Probe: Is client engagement more or less important during a crisis?
- 10. Has the COVID-19 pandemic had any impact on your ability to support and provide advice to clients?**
- 11. What, if any, technology have you used during the COVID-19 pandemic? How have your clients reacted to your firm's approach to technology during the COVID-19 pandemic?**
- 12. Why did you start using technology, such as audio-visual conferencing? Or why have you not been using technology, such as audio-visual conferencing?**
- 13. How has use of technology impacted your cost to serve?**
- 14. Are there any aspects of technology that you implemented during the COVID-19 crisis that you will continue using after the crisis is over?**
- 15. How have regulatory changes during the COVID-19 pandemic, such as the capped fee for superannuation withdrawal advice and rules around SOAs and ROAs helped or hindered your ability to add value for your clients? Why?**
- 16. Are there any other regulations or aspects of your business that help or hinder your ability to add value to clients in times of crisis?**
- 17. In your survey you said that [X and Y] drive your ability to add value to your clients during a crisis. Can you expand on why that is?**
- 17a. Probe: Are these the same factors for new and existing clients?
 - 17b. Probe: Are these the same factors for all types of crises or just this crisis in particular?
 - 17c. Probe: Do these same factors also drive your ability to add value in normal times?
- 18. In your survey you said that [X and Y] inhibit your ability to add value to your clients during a crisis. Can you expand on why that is?**
- 18a. Probe: Are these the same factors for new and existing clients?
 - 18b. Probe: Are these the same factors for all types of crises or just this crisis in particular?
 - 18c. Probe: Do these same factors also drive your ability to add value in normal times?

19. Has the COVID-19 pandemic and associated changes in work demands had any flow on impact to other work-related activities?
20. During the COVID-19 pandemic have you had any new or existing clients approach you who need advice but cannot afford it? How do you manage this situation?
21. Have there been any other times during your career that you have noticed similarities and differences to the COVID-19 pandemic? For example, in terms of market conditions, level of uncertainty, client behaviours? What are they?
- 21a. Probe: Similarities or differences to the GFC

Thank you for your time. Do you have any other comments?

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