THE CONSEQUENCE OF THE LEADERSHIP STYLE OF A FINANCIAL PLANNER'S MOST INFLUENTIAL SUPERVISOR ON THE PLANNER'S PERCEPTION OF CONFLICT, AS INFLUENCED BY THE CONSANGUINITY OF A POTENTIAL CLIENT

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Abstract

This study addressed how the leadership style of a financial planner's leader influences a financial planner's perception of conflict and the willingness to serve when a planner considers providing service to a family member. Dependent variables measured were a subject planner's perception of conflict and willingness to serve. Independent variables measured were the consanguinity of a hypothetical potential client, and transformational, transactional, and laissez faire leadership styles of the planner's supervisor. Intervening variables were the financial credential(s) held, highest level of education completed, years in practice, years supervised by the most influential planning supervisor, and age of the financial planner. A questionnaire collected the demographic and professional questions, as well as providing a hypothetical scenario from which perception of conflict and willingness to serve were recorded. The *Multifactor Leadership Questionnaire 5x-Short Rater Form (MLQ)* was used to measure the leadership style of the subject's most influential planning supervisor. Results indicate that consanguinity of a hypothetical client is positively related to perception of conflict and negatively related

to willingness to serve. Transformational leadership was negatively related to both perception of conflict and willingness to serve. Transactional and laissez faire leadership were not significantly related to either dependent variable.

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CHAPTER ONE

Introduction

Leadership often involves activities that include not only leading but also require a willingness to serve, especially with relatives. The literature to be reviewed later establishes the need for this research that evaluates the influence of leadership style on willingness to serve and perceptions of conflict of interest.

Statement of the Problem

Relationships with Relatives

Relationships with relatives are often highly valued. A relative may supply many of an individual's psychological needs and vice versa. Consequently, a person in a relationship with a relative may invest much in terms of personal disclosure and effort. In addition, relationships with relatives entail practical or social obligations that go beyond psychologically enjoyable intercourse, simply because a person is a member of the family.

Financial Planning Practice

Financial planning practice first and foremost involves helping a client reveal goals, objectives, and

financially pertinent information. A financial planner may encourage a client to question his or her goals or objectives, but must ultimately respect the client's own desires and direction. From the client's foundation of goals, objectives, and financial information a financial planner then designs a financial plan with a view from the present to the future. The financial plan culminates with a recommendation section, which involves changes and additions in arrangements and funding in order to meet the client's objectives.(CFP Board, 2002).

The Point of Conflict

A planner must have empathic and analytical skills to practice financial planning well, providing appropriate and thorough financial plans. Effective exercise of these skills requires that a planner have a clear professional focus and an objectivity that is largely uninterrupted by conflicting concerns, such as the responsibilities often inherent in maintaining familial relationships. The Certified Financial Planner Board of Standards in the *Code of Ethics and Professional Responsibility* (2003) underscores the importance of objectivity:

> A CFP Board designee shall be objective in providing professional services to clients.

> Objectivity requires intellectual honesty and impartiality. It is an essential quality for any professional. Regardless of the particular service rendered or the capacity in which a CFP Board designee functions, a CFP Board designee should protect the integrity of his or her work, maintain objectivity, and avoid subordination of his or her judgment that would be in violation of this Code of Ethics. (p. 6)

The conflict a planner may experience in serving a relative can involve more than just the planner's own conflicting motivations of maintaining the familial relationship and of providing a thorough, appropriate financial plan. In addition, the relative may bring expectations and behavior to the relationship with the planner that conflict with the functioning of the financial planning process. For example, the relative may expect special privilege from the planner because of the familial relationship, by which the relative seeks to avoid an essential part of the planning process, such as thorough financial disclosure. Or the relative may want the planner to ignore a significant part of the financial data, such as questionable income tax practices.

When considering responsibility to the familial relationship, the planner may well know and anticipate a relative's tendency toward such behavior, thus possibly adding to any existing perceived conflict. The financial planner also may be tempted to sway a relative client to the planner's benefit, using the familial relationship as leverage. In summary, a financial planner working with a relative has potential inner conflicts to manage as well as the possible manipulation the relative may attempt because of the family relationship.

The leadership style of a financial planner's supervisor may influence the planner's perception of conflict. As is noted in the literature review, positive leadership has been found negatively related to the perception of some types of conflict, such as role conflict in employment. Little is known about the influence of the leadership style of a financial planner's supervisor on the planner's perception of conflict when working with a relative. This research focused on the following problem: what was the influence of the leadership style of a financial planner's most influential supervisor on the planner's perception of conflict and willingness to provide service, as related to the consanguinity of a potential client?

Purpose of the Study

This study had as its purpose to understand the influence of the leadership style of a financial planner's most influential supervisor on the planner's perception of conflict and willingness to provide service, as related to the consanguinity of a potential client. In addition, this research sought to understand the influence of potential intervening variables such as professional and demographic characteristics of the planner.

From the findings and resulting analysis, models were created that reflect the influence of statistically significant relationships of predictor variables upon the dependent variables perception of conflict and willingness to provide service. These models provide application for financial planning leaders seeking ways to encourage less perception of conflict and more willingness to provide service among financial planners.

Conceptual Definitions

In this research, the term leadership style meant the transformational, transactional, and laissez-faire leadership factors in the Bass & Avolio model (1990). The terms financial planner, most influential planning

supervisor, perception of conflict, and consanguinity are defined operationally in Chapter Three.

The Research Questions

The following research questions were considered: Was there a relationship between:

1. The leadership style of a financial planner's supervisor of most influence, the planner's perception of conflict, and the consanguinity of a potential client?
2. The leadership style of a financial planner's supervisor of most influence, the planner's willingness to provide service, and the consanguinity of a potential client?
3. The length of time under the supervision of the supervisor of most influence, the planner's perception of conflict, and the consanguinity of a potential client?
4. The length of time under the supervision of the supervisor of most influence, the planner's willingness to provide service, and the consanguinity of a potential client?
5. The planning credentials a planner held, the planner's perception of conflict, and the consanguinity of a potential client?

6. The planning credentials a planner held, the planner's willingness to provide service, and the consanguinity of a potential client?
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11. The age of the planner, the planner's perception of conflict, and the consanguinity of a potential client?
12. The age of the planner, the planner's willingness to provide service, and the consanguinity of a potential client?

CHAPTER TWO

Review of the Literature

Overview

This chapter reviews the research literature relevant to the influence of the leadership style of a financial planner's most influential supervisor on the planner's perception of conflict and willingness to provide service, as related to the consanguinity of a potential client. First, research pertinent to the dependent variable of the perception of conflict was considered. Second, no pertinent research studies or information were available regarding the second dependent variable, the willingness of a financial planner to provide service as related to the consanguinity of a potential client. Third, research studies involving the first independent variable of leadership style were reviewed. Fourth, while no research studies are available regarding the second independent variable of the consanguinity of a potential client, related research information was available and reviewed. Fifth, research studies were considered regarding this study's intervening variables and possible correlations with the perception of conflict. No pertinent studies were available that relate the intervening variables of this

research to the second dependent variable, a financial planner's willingness to provide service as related to consanguinity of a potential client.

Dependent Variables

Perception of Conflict

The first dependent variable in this research study is a financial planner's perception of conflict as related to the consanguinity of a potential client. We began this section of the literature review by considering research studies involving the perception of conflict in general, completing the section with consideration of conflicting interests within financial planning. Rizzo, House, and Lirtzman (1970) conducted a study of role conflict, a particular perception of conflict that can occur within organizations.

The study attempted to identify role conflict and correlate role conflict to other variables. Role conflict was defined as the experience of compatibility-incompatibility or congruency-incongruence when faced with the requirements of a role within an organization.

The study sample was comprised of two groups gathered from a business entity. Sample A was comprised of a random sample of 35% of central office and main plant employees and a random sample of 35% of the entire

universe of employees, N = 199. Sample B consisted of a random sample of 100% of the remaining research and engineering personnel who were not included in Sample A, N = 91. Results indicated that the perception of role conflict was positively correlated with the independent variables of conflict and inconsistency in the organization, decision delays, job pressure, and upward information required ($p \leq .05$).

Grover and Hui (1994) conducted another study involving role conflict and its correlation with other dependent variables. This study's sample was 248 undergraduate students enrolled in a junior level introductory organizational behavior course in a large Midwestern university, with 42.2% of the participants being female and a median age of 20 years. The study confirmed that the perception of role conflict, as an independent variable by itself and in combination with personal reward, has a positive correlation with the dependent variable of lying ($p \leq .001$).

Additional research studies focused on the occurrence of conflicting interests. While these studies do not stress the perception of conflict, they do focus on a basis for conflict that is directly of interest in this research, conflict from conflicting interests, as

opposed to conflict from conflicting role requirements. A few studies focused on resulting behavioral change when a conflict of interest was assumed to exist.

Mitchell and Scott (1992) evaluated the effects of physician ownership of freestanding physical therapy and rehabilitation facilities on utilization, charges, profits, and three measures of service characteristics for physical therapy treatment. Physicians who had an ownership interest in a physical therapy facility were assumed to have a conflict of interest between bettering themselves financially by referring patients to their facility as opposed to promoting the patients' interests. The data included 118 outpatient physical therapy facilities and 63 comprehensive rehabilitation facilities providing services in Florida in 1989. Data were collected under a legislative mandate. Physical therapy clinics jointly owned by physicians had an average of 50% more visits per year than non-jointly owned clinics ($p \leq .0005$). The mean number of physical therapy visits per patient was 16 for jointly owned facilities and 11 for physical therapy centers with no referring physician ownership ($p \leq .0005$).

Hillman et al. (1992) confirmed the behavioral influence of conflicts of interest with a study of

physicians' referrals for diagnostic imaging. Physicians who had an ownership interest in a diagnostic imaging facility were assumed to have a conflict of interest between bettering themselves financially by referring patients to their facility as opposed to promoting the patients' interests. For 10 common clinical presentations, differences in physicians' usage of and charges for diagnostic imaging were reviewed, controlling for whether the imaging was done by referral to an owned imaging facility or referral to an unaffiliated facility. The database of all physician claims for the United Mine Workers of America Health and Retirement Funds from January 1, 1988 through December 31, 1989 was reviewed, providing an n of 174,000 episodes. Varying by clinical presentation, referral to a physician owned facility occurred 1.7 to 7.7 times more frequently than referral to an unaffiliated facility ($p \leq .01$). Patients also paid much more per episode of medical care provided by physician owned facilities.

Hayward and Boeker (1998) reviewed ratings given to 70 U.S. companies by analysts whose firms provided ratings alone (research services) and those whose firms provided investment ratings and investment banking services for the same companies. A conflict of interest

was assumed to exist between the explicit objectivity expected from an investment rating and the desire to portray a client company favorably to promotion of the sale of newly issued stock. The study revealed that analysts whose firms provided both investment banking and research services to a client company rated the dually served companies 30 percent more favorably than analysts from firms that provided research services alone. In addition, dually served companies were given higher ratings by the following factors for all types of investment banking deals: debt, 0.2 ($p \leq .01$), equity, 0.3 $p \leq .01$), and mergers and acquisitions 0.4 ($p \leq .01$).

Kjaergard and Als-Nielsen (2002) performed a study of clinical trials published in the *British Medical Journal* to consider associations between financial competing interests, other competing interests, and the conclusions of trials. The *British Medical Journal* requires authors to declare funding as well as other competing interests. Financial competing interests were defined as funding from for-profit organizations. Funding from non-profit organizations was considered separately and in conjunction with for-profit organizations. Other competing interests were defined as personal, academic, political, or similar competing interests as declared by

the trial researchers. The n was 159 trials from 12 medical specialties.

Results showed that authors' conclusions in trials funded by for-profit organizations alone significantly favored recommendation of the experimental intervening factor compared with trials without competing interests ($p \leq 0.014$), trials funded by both for profit and non-profit organizations ($p \leq .003$), and trials with other competing interests ($p \leq .006$). Other competing (non financial) interests and funding from both for profit and non-profit organizations were not significantly associated with trial authors' conclusions. The authors of this study suggested financial bias and publication bias as possible explanations. Publication bias is the tendency to produce results that appear significant, because negative or near neutral results are seldom published.

The following studies focused on the perception of conflict of interest, a variable very closely related to the dependent variable of this study, the perception of conflict. Bird, Hayward, and Allen (1993) conducted a study about conflicts of interest between university-based research and the commercialization of that knowledge. The study involved 2 random samples. The first

was drawn from 1000 biomedical faculty at the top 15 universities in R & D expenditures in 1987, as listed by the National Science Foundation, n = 146. The second sample was drawn from 700 faculty members of the entrepreneurship division of the Academy of Management, n = 204.

The science faculty and entrepreneurship faculty both reflected a mild negative correlation of entrepreneurial activity and the perception of conflict of interest scale. The science faculty correlation for activity in a new firm with the perception of conflict of interest was -0.122 (significant at 90% level, one-tailed test). The entrepreneurship faculty correlation was -0.157 (significant at the 95% level, one-tailed test). In addition, 72.3% of the science faculty and 54.9% of the entrepreneurship faculty indicated their current research had commercial applications. Perhaps the perception of conflict is inversely related to involvement in the conflicting activity.

Campbell and Slaughter (1999) completed a study of faculty and administrators' attitudes towards potential conflicts of interest in university-industry relationships. Questionnaires were mailed to representatives of the 12 largest public institutions in

each of the Carnegie classifications. Respondents included 127 university administrators and 280 faculty members representing the fields of social science and fine arts (28%), science and engineering (43%), and business (29%). Analysis of variance was used to analyze respondents' views toward scaled measures of potential conflicts. Faculty members not involved in joint university-industry projects ($n = 81$) reflected a higher perception of conflicts of interest than faculty who were involved ($n = 162$) at $p \leq .01$.

Bearden (2002) addressed the issue of financial planners experiencing a conflict when working with friends and relatives. In a case study using qualitative analysis involving two licensed financial planners, the respondents reflected the perception of conflict when working with friends and relatives. Each planner also revealed hesitancy to ask clients who were friends or relatives to disclose in-depth information needed to complete a financial plan.

To this point, the perception of role conflict has been reviewed and correlations have been noted to independent variables of conflict and inconsistency in the organization, decision delays, job pressure, and upward information required. The relationship of the

perception of role conflict as an independent variable and dependent variable of lying have been discussed. Studies that focus on the subsequent behavior of subjects in situations of conflicting interests have been considered, noting the positive correlation of conflicting interests and self-benefiting behavior. Finally, the perception of conflict of interest has been reviewed, observing that the perception of such conflict seems negatively related to involvement in the activity posing the conflict. The observation of the experience of conflict when financial planners worked with a friend or relative has been discussed.

As a final area reviewed in searching for research and evidence regarding the perception of conflict from conflicting interests, behavioral and professional directives about conflicts of interest were discussed, with the assumption that directives indicated the existence of conflicts themselves and possibly the perception of conflict. First in consideration was a recently passed federal law that addresses conflicts of interest. Then the treatment of conflicts of interest in codes of practice of three professional associations not related to financial planning was described. Finally, conflicts of interest as treated by a major financial

planning association and a financial services association were considered.

The recently passed Sarbanes-Oxley Act of 2002 provided evidence of self-seeking behavioral change that can result from situations of conflicting interest in its provisions to lessen the likelihood of falsehood and fraud in public financial reporting. While the law does not address financial planners, it does provide new rules and enforcement for public accounting firms, public companies, and securities analysts. Provisions of Sarbanes-Oxley include requirements for increased disclosure of conflicts of interest and, in some instances, segregation of functions when a conflicting interest may damage clear public financial reporting.

The American Bar Association (ABA) *Model Rules of Professional Conduct* (2003) considered concurrent conflict of interest situations that attorneys may encounter. A concurrent conflict of interest exists if:

> (1) the representation of one client will be directly adverse to another client; or
>
> (2) there is a significant risk that the representation of one or more clients will be materially limited by the lawyer's responsibilities to another client, a former

client or a third person or by a personal interest of the lawyer. (ABA *Model Rules*, 2003, Rule 1.7)

Generally, an attorney is encouraged not to engage in service where he or she may have interests conflicting with those of a client unless: First, the attorney believes her or she can provide competent and diligent representation to the client. Second, the representation is not prohibited by law. Third, the representation does not involve the assertion of a claim by one client against another client represented by the lawyer in the same litigation or other proceeding before a tribunal. Fourth, the client has given informed consent, confirmed in writing. Thus the client may refuse to accept legal service after disclosure of a conflict, and the attorney may refuse to offer legal service if a conflict is judged of sufficient weight to impair the attorney-client relationship (ABA *Model Rules*, 2003).

In the *AMA Code of Medical Ethics and Council on Ethical and Judicial Affairs Reports*

> (2001, E-8.03 Conflicts of Interest: Guidelines), the American Medical Association discussed guideline remedies for conflicts of interests among its members. First, physicians may never place their own financial interests above the welfare of their patients. Second, if a conflict develops between the physician's financial interest and the physician's responsibilities to the patient, the conflict must be resolved to the patient's benefit.

The American Institute of Certified Public Accountants (AICPA) considered conflicts of interest for member CPAs in its *AICPA Code of Professional Conduct*, regarding objectivity and independence:

> Objectivity is a state of mind, a quality that lends value to a member's services. It is a distinguishing feature of the profession. The principle of objectivity imposes the obligation to be impartial, intellectually honest, and free of conflicts of interest.
>
> Independence precludes relationships that may appear to impair a member's objectivity in rendering attestation services. (AICPA *Code*, 2001, Section 55 - Article IV)

The Certified Financial Planner Board of Standards in the *Code of Ethics and Professional Responsibility* (2003) directed the professional behavior of all holders of the Certified Financial Planner (CFP) designation. Many but not all of the holders of the CFP designation are actively engaged in financial planning. This code states that conflicting interests that may precipitate the perception of conflict exist "when a CFP Board designee's financial, business, property and/or personal interests, relationships or circumstances reasonably may impair his/her ability to offer objective advice, recommendations or services"(p. 2).

The remedy addressing the perception of such a conflict is limited the following: "In all circumstances and prior to the engagement, A CFP Board designee shall, in writing: (a) Disclose conflict(s) of interest and source(s) of compensation . . ." (CFP Board *Code*, 2003, p. 10). Bearden (2002) in a survey of the types of conflicts of interest occurring in financial planning recommended that the Certified Financial Planner Board of Professional Standards expand the section on remedies for such conflicts.

The Society of Financial Service Professionals in the *Code of Professional Responsibility of the Society of*

Financial Service Professionals (2003) directs the professional behavior of its members, many but not all of whom are actively engaged in financial planning. Members must hold the Chartered Financial Consultant (ChFC), Chartered Life Underwriter (CLU), Certified Public Accountant (CPA), Certified Financial Planner (CFP), Registered Health Underwriter (RHU), Registered Employee Benefits Consultant (REBC) or Chartered Leadership Fellow (CLF) designations, a Masters degree from the American College, or be a licensed attorney. This practice code did not address the perception of conflicts of interest, but did discuss situations of conflicting interest in general, offering examples in lieu of a definition. Disclosure and, in one example, recusal, were offered as recommended remedies for conflicting interests.

Willingness of a Financial Planner to Provide Service

The second dependent variable of this research study is the willingness of a financial planner to provide service as related to the consanguinity of a potential client. No pertinent research studies or information were available regarding this variable. Because this variable was pertinent to purpose of this research, it was included as a question on the survey questionnaire.

Independent Variables

Leadership Style

The first independent variable in this research study is the leadership style of the financial planner's most influential supervisor. Several research studies have been done that indicate a negative correlation of positive leadership, as defined by each study, and the experience of conflict. The Rizzo, House, and Lirtzman study (1970) cited above considered the correlation of leadership with the perception of role conflict. Leadership was defined as "the frequency with which the respondent perceives his boss engaging in given behaviors (Ohio State University Leader Behavior Description Questionnaire, 5-point scale) (p. 157)." The study found that persuasion, production emphasis certainty, representation, teamwork facilitation, tolerance of freedom, and upward influence were negatively correlated to the perception of role conflict, $p \leq .05$.

Goff, Mount, and Jamison (1990) performed a study regarding employer-supported childcare, work, family conflict, and absenteeism at a large, Midwestern electronics and communications firm. A survey was distributed to 952 employees, with responding n = 253, including 161 males and 92 females. Supervisor support

was inversely related to work/family conflict at t = -4.24, p ≤.01.

In a study of the development of sales person's organizational commitment during early employment, Johnston, Parasuraman, Futrell, & Black (1990) completed a longitudinal study of the impact of organizational influences on salesperson's organizational commitment. The sample was the sales persons from a national consumer goods company. The sample for *t1* was n = 261, *t2* was n = 232. Positive leadership consideration affected role conflict at t = -4.896, with p ≤.01

Boshoff and Mels (1995) in a study of 140 insurance sales people discovered that supervisory consideration was negatively correlated with role conflict at p ≤.01. Igbaria and Guimaraes (1993) in a study of 76 information center employees from 28 companies in Ohio found that role conflict was inversely related to satisfaction with supervision at p ≤.05. Price (1991) performed a study of path-goal leadership theory, comparing two market channels of distribution: administered or independent dealers and franchisee. The sample was randomly drawn, producing 74 respondents for each group. The effects of positive leadership behavior as expressed in path-goal theory (House, 1971) were significantly different for

each channel. Initiating structure had a slight inverse relation to conflict perceived in the administered (or independent) channel with a regression coefficient of -.800, not significant at $p \leq .05$ level. However, the contractual channel reflected a direct relation to conflict, with a regression coefficient of 2.29, significant at $p \leq .001$

Bamberger and Hasgall (1995), in a study of a random sample of 233 instructors serving in the Israeli Defense Forces discovered that positive supervision, defined by a scale developed by Bacharach (1986), had a negative correlation to role conflict among Israeli flight instructors ($p \leq .05$).

Bacharach, Bauer, & Conley (1986) in their study of 2,247 teachers in New York State found that positive supervisory behavior, defined by the Bacharach scale, was one of the largest negative predictors of general stress at $p \leq .01$. In a later research study of the 1986 data, Bacharach, Bamberger, & Mitchell (1990) used regression analysis with role conflict as a dependent variable. The study concluded that among teachers in elementary schools, positive supervision was inversely related to role conflict, $p \leq .01$. Positive supervision was defined by the study as how often a supervisor talks to a

respondent: 1 = seldom or never, 2 = occasionally, 3 = frequently, and 4 = almost always. The higher scores indicated more positive supervision.

Generally, with the exception of the Price study, positive leadership supervision was found inversely related to conflict. Studies involving the MLQ were then considered. The MLQ has been used in over 75 research studies. These studies primarily tested reliability and validity or the relationship of the instrument to a range of effectiveness criteria (Lowe & Kroeck, 1996). No studies were available that focus on the relationship of transformational, transactional, and laissez faire scores on the MLQ and a financial planner's perception of conflict or willingness to offer service, in relation to the consanguinity of a potential client.

Consanguinity

The second independent variable in this research study is the consanguinity of a potential client as it may influence the financial planner's perception of conflict or willingness to provide service. A relative is measured in this study by the proportion of shared genes. No research studies could be found considering the association of a potential client's consanguinity and a planner's perception of conflict or willingness to

provide service. However, Karofsky and Mills (1995) in a review of the information available regarding family businesses portray the conflicting responsibilities of familial relationships and business management. The authors note that little research is available about family businesses, although they account for 50% of the U.S. gross domestic product. Karofsky and Mills stated that: "A family business is portrayed as more complex than any other kind of business because family relationships can play themselves out in the business. In dealing with problems, family issues must be addressed before the business problems" (p. 28).

An analogous situation is discussed by Straub (2000) in consideration of the potential conflict an attorney encounters when considering service on a client company's board of directors. The responsibilities of each role are clearly different: A director is required to exercise an unbiased judgment in the management of a corporation's affairs for the corporation's best interests. An attorney may make a more conservative judgment of the legal risks involved, to keep the corporation apprised of its legal position. When the same person fulfills both roles, the differing responsibilities may generate conflict.

Intervening Variables

Length of Time Under Supervision of the Most Influential Supervisor

The first intervening variable in this research study is the relationship between the length of time a financial planner has worked under the supervision of the supervisor of most influence. No research has been found regarding this variable and its possible influence upon either a planner's perception of conflict or willingness to provide service. Due to the lack of data and the possibility of an intervening influence, the number of years under the supervisor of most influence will be asked in the survey questionnaire.

Holding a Financial Planning Credential(s)

The second intervening variable in this study is the relationship between a financial planner holding a financial planning credential(s) and the planner's perception of conflict or willingness to provide service. While no research was conducted considering the influence of holding of a financial planning credential on the perception of conflict or willingness to provide service, studies were available that address possible benefits of having a professional credential or an advanced academic degree. The first study involved public perception of the

benefits of professional credentials held by professionals. Mauldin, Wilder, and Stocks (2000) completed a research study involving Kiwanis organizations in six states in the southeast and southwest. Respondents were asked about the financial planning designation PFS (always held in conjunction with the CPA designation). The sample size was 656. Results indicated the public perceives a CPA/PFS possesses significantly more financial planning knowledge and expertise than a financial planner with the designations of CPA alone, CPA with the CFP designation, or the CFP designation alone, $p \leq .001$.

The following study demonstrated a relation between studied benefits and professional credentials or advanced degrees. In a survey of 131 randomly selected real estate appraisers holding certification in Ohio, Lahey and Ott (1993) discovered that the majority of appraisers questioned believed holding a state appraiser certificate would reduce the number of faulty appraisals ($p \leq .05$), increase lender confidence ($p \leq .05$), and increase appraisers' income ($p \leq .05$).

Research regarding directors of nursing (DONs) in long-term nursing facilities indicated that DONs who held the license of long-term care administrator scored higher

on the professional nursing and long-term leadership subscale than did DONs who were not licensed (Aroian, 2000). The sample n = 247 Directors of Nursing, $p \leq .05$.

A research study of CPAs who are members of the Personal Financial Planning division (n = 1,500) indicated that CPAs holding the financial planning designation of Personal Financial Specialist (PFS) believed the designation enhanced their image, improved skills, and made them more competitive (Donelan, 1993).

Wright (1985) conducted a study of 110 entry-level accountants over a 9-year period within a large CPA firm. Accountants holding a Master of Business Administration (MBA) degree advanced to the level of supervisor more rapidly than undergraduate degree holders, $p \leq .05$.

The following research of professionals holding or aspiring to hold a professional credential or advanced degree reflected no correlation between studied benefits and professional credentials or advanced degrees. In an unpublished doctoral dissertation, Parks (2000) did a study of registered nurses, n = 100, regarding registered nurses' years of experience, credentials, and moral development. No correlation was found between nursing credentials and moral development, $p \leq .05$. Findings may be due to sampling error from a low n.

Research determining managerial skills of middle managers holding the MBA degree compared with other graduate and undergraduate degrees failed to find that MBAs had a significant advantage in managerial skills, $p \leq .05$ (Shipper, 1999). The study sample was n = 1,035 middle managers located in the United States within a large, multinational, high technology company.

Length of Time in Practice

No research studies were found regarding the relationship between a financial planner's length of time in practice and the perception of conflict or willingness to provide service, in relation to the consanguinity of a potential client. Due to the lack of data and the possibility of an intervening influence upon the dependent variables, length of time in practice was asked in the survey questionnaire.

Highest Educational Level Completed and Age

No research studies were done regarding a relationship between the highest educational level completed, age and the perception of conflict or a planner's willingness to provide service, in relation to the consanguinity of a potential client. Due to the lack of data and the possibility of an intervening influence

on the dependent variables, educational level and age were asked in the survey questionnaire.

Other Potentially Intervening Variables Beyond the Scope of this Study

Certainly the possibility exists of additional significant nuisance or intervening variables that may influence the perception of conflict or willingness to provide service, in relation to the consanguinity of a potential client. One such variable beyond the scope of this study but of interest for possible later research is the variable of subject integrity. Ones, Viswesvaran, and Schmidt (1993) verified the validity of integrity tests for predicting job performance and counterproductive behaviors on the job.

Summary, Conclusions and Expected Outcomes

The existing literature and research allowed for tentative conclusions about some of the variables examined in this research study. The first variable reviewed was the dependent variable of the perception of conflict as related to the consanguinity of a potential client. The research literature regarding the perception of conflict from conflicting role demands and conflicting interests indicated that various types of professionals experience conflict when considering engagements with

differing demands and responsibilities. The professional codes of conduct for law, medicine, CPAs, and financial planners affirmed the perception of conflict from conflicting interests. Hence, this research expected to discover in the results a positive relationship between a financial planner's perception of conflict and consanguinity of a potential client.

These expectations were not meant to infer that a financial planner would not honor any familial obligations existing to a relative. Rather, in an effort to insure that familial obligations are met, the planner may realize that attempting to perform the obligations of both roles for a relative may seem less than desirable. The financial planner may in this instance prefer to refer the relative to a respected peer planner, thinking that the obligations of the professional role can be best carried out by a non-related peer.

There was no research information available regarding the second dependent variable, a planner's willingness to provide service and the consanguinity of a potential client. This study assumed that a negative relationship would be found in the results.

The research literature indicated that positive leadership supervision is negatively related to the

experience of conflict. This research expected a negative relationship would be found between transformational and transactional leadership style scores and the planner's perception of conflict, as related to the consanguinity of a potential client. This research expected a positive relationship would be found between the laissez faire score and the planner's perception of conflict, as related to the consanguinity of a potential client.

Existing research did not reveal any relationship between the length of time under the supervision of a financial planner's most influential supervisor and the perception of conflict. This research study expected to discover a negative relationship between the length of time a planner is under the supervision of the most influential supervisor and the planner's perception of conflict, in relation to the consanguinity of a potential client. In addition, this study expected to find a negative relationship between the length of time a planner has been under the supervision of the most influential supervisor and a planner's willingness to provide service, as related to the consanguinity of a potential client.

The research literature indicated that holding a professional credential or an advanced degree is positively related to the public's perception of the professional, as well as the professional's self-perception. This research study assumed a negative relationship would be found between the financial planning credential(s) held and a planner's perception of conflict, as related to the consanguinity of a potential client.

There was no research information available regarding the intervening variable of length of time in practice for a planner and the planner's perception of conflict, in relation to the consanguinity of a potential client. This research expected that time in practice would be negatively related to the planner's perception of conflict, as related to the consanguinity of a potential client. The research revealed no study of a possible relationship between the demographic variable of a financial planner's education level completed and perception of conflict, in relation to the consanguinity of a potential client. In addition, the research revealed no study of a possible relationship between the demographic variable of a financial planner's age and the

dependent variable of perception of conflict, in relation to the consanguinity of a potential client.

This study assumed a negative relationship would be found between education level completed and the planner's perception of conflict, in relation to the consanguinity of a potential client. This research also assumed a negative relationship would be found between age and the planner's perception of conflict, in relation to the consanguinity of a potential client.

The research revealed no study of a possible relationship between the demographic variable of a financial planner's education level completed and the planner's willingness to provide service, in relation to the consanguinity of a potential client. In addition, the research revealed no study of a possible relationship between the demographic variable of a financial planner's age and the planner's willingness to provide service, in relationship to the consanguinity of a potential client.

With no prior research support, this study expected to find a negative relationship between the planner's education level completed and the planner's willingness to provide service, in relationship to the consanguinity of a potential client. Finally, also without prior research support, this study expected to find a negative

relationship between the planner's age and the planner's willingness to provide service, in relation to the consanguinity of a potential client.

CHAPTER THREE

Methodology

Overview

This chapter reviews the sampling plan for the research, a description of the instruments used to gather data, and reliability and validity characteristics. Operational definitions are provided for dependent, independent, and intervening variables. The research design is described, including the statistical analysis used. Each of the null hypotheses is stated, and the procedure used to acquire data is reviewed, including ethical considerations. Finally, the data collection and analysis are described.

Sampling Plan

Subjects that made up the sample were authorized in Texas to offer investment advice for a fee, evidenced by having passed the Series 65 Registered Advisor test. The 332 subjects utilized in this research were all of the male members of a professional financial services association in Texas who have passed the Series 65 exam. Female members of the association who passed the Series 65 totaled 38, or 10 percent of the total members who have passed the test. Because of the small number of qualified female subjects, gender was not used as an

intervening variable and only male subjects were utilized. The potentially small sample precluded meaningful analyses.

Currently the majority of financial planners are males, but female participation seems to be increasing. Among financial planners in Texas who hold the Series 65 Registered Advisor registration, the female percentage was approximately 10 percent in 2002 (Texas Securities Board, August, 2002). Female holders of the ChFC designation are 13.3% of all designation holders to date (American College, 2003). Female holders of the CFP certification accounted for 30.84% of all CFPs in Canada in 2002, up from 28.2% in 2000 (CFP Financial Planner Standards Council, CA, 2002). In the United States, female CFPs make up 24% of all certification holders (CFP Board of Standards, 2003).

Instruments

Description

The instruments used in this research study were a survey questionnaire and the MLQ questionnaire for raters.

Survey.

The survey began with three professional questions: the planner's number of years of practice, financial

planning credentials held, and years working with the most influential supervisor. Two demographic questions followed, the highest level of education completed and the subject's age on the last birth date.

The survey continued with a scenario that portrayed a financial planner and a prospective client. Subjects were instructed to read the scenario as if the subject were the financial planner portrayed. The financial planner had just completed an introductory interview with a prospective client. The prospective client was agreeable to employing the planner, and the planner was considering whether to accept employment.

The prospective client in the scenario rotated from being the planner's parent, aunt/uncle, first cousin, or a non-relative. The rotation of the prospective client was in terms of the percentage of shared genes. A parent shared 50%, an aunt/uncle 25%, a first cousin 12.5%, and a non-relative 0%.

After reading the scenario, subjects were asked to answer two questions. The first question asked if the subject perceived conflict when considering whether to provide service to the hypothetical client. Five possible answers were provided, using a unipolar scale that refers to the degree of conflict experienced. The answer choices

progressed from no conflict to very strong conflict. The subjects were instructed to select only one answer.

The second question asked for the subject's willingness to provide financial planning service to the hypothetical client. Five possible answers are provided, varying from to unwilling to willing. The subjects were again instructed to select only one answer.

MLQ Rater Form (5x-Short).

The MLQ Rater Form (5x-Short) was the second instrument used in this research. The MLQ was introduced with instructions to the subject to complete each question as it applied to the supervisor who has been most influential upon the subject as a financial planner.

Reliability

The professional and demographic questions in the initial questionnaire utilized descriptive variables and has good test-retest reliability (Nachmias & Nachmias, 1996). The scenario used to measure perception of conflict utilized ordinal variables on an interval scale and has test-retest reliability (Nachmias & Nachmias, 1996). The Multifactor Leadership Questionnaire has been tested in over 75 studies, showing excellent internal consistency and test-retest reliability (Lowe & Kroeck, 1996).

Validity

The professional and demographic questions have construct validity. The scenario has at least face validity (Nachmias & Nachmias, 1996). The MLQ has construct validity (Bass & Avolio, 2000).

Operational Definitions for Dependent Variables

The first dependent variable was a financial planner's perception of conflict. This was operationally defined as the subject's response to the first question after the scenario, regarding the planner's perception of conflict.

The second dependent variable was the planner's willingness to provide service. This variable was operationally defined as the subject's answer to the second question after the scenario, regarding the planner's willingness to provide service to the hypothetical client.

Operational Definitions for Independent Variables

The first independent variable was the leadership style of the planner's most influential supervisor. This variable was defined as the subject's rating of the leadership style of the supervisor of most influence, using mean scores for transformational, transactional, and laissez faire leadership style categories on the MLQ.

The MLQ contains 20 transformational questions, 12 transactional questions, and 4 laissez faire questions. The MLQ scores range from 0 to 4, with 0 indicating not at all and 4 indicating frequently, if not always.

The second independent variable in this study was the consanguinity of a potential client. This variable was operationally defined as the degree of consanguinity of the prospective client in the scenario. Consanguinity was measured by using a number scale based on the percentage of shared genes in each of the following familial or nonfamilial roles: non-relative - 0; first cousin - 12.5; aunt/uncle - 25; parent - 50. The familial/nonfamilial roles were be rotated from 1 through 4, with each scenario having one role reflecting consanguinity assigned to the potential client. Each subject received a questionnaire with one scenario, in which the potential client had one role reflecting consanguinity.

Operational Definitions for Intervening Variables

These variables were considered in an attempt to understand their impact upon the two dependent variables, as well as isolate their impact from the influence of the primary independent variables. The first intervening variable was the years of supervision with the financial

planner's supervisor of most influence. This variable was operationally defined as the subject's indication of the number of years.

The second intervening variable was the financial planning credential(s) held by the subject. This variable was defined as the subject's score on a scale created by the researcher as a financial planning expert. The subject was given 6 choices to review (ChFC, CFP, PFS/CPA, CLU, RFP/RFC, and None). The subject was asked to circle the credential (s) he/she held. Each subject's choice (s) was given a score of 0-4. The scale is included in the Appendix.

The third intervening variable was the subject's time in practice as a financial planner, defined as the planner's indication of years in practice. The fourth intervening variable was the subject's educational level, defined as the subject's indication on the questionnaire of the highest educational level completed. The subject's answer was chosen from: 1 high school, 2 bachelor's degree, 3 master's degree, or 4 doctoral degree. The fifth intervening variable was the subject's age, defined as the subject's indication on the questionnaire of age on the last birthday.

Research Design

This research is non-experimental, utilizing a cross-sectional design that reviews property/disposition relationships of the research subjects.

Null Hypotheses

The following are the null hypotheses tested by analyses performed on the data gathered:

H01 = There is no significant relationship between the composite transformational leadership score for the financial planner's most influential supervisor and a financial planner's perception of conflict, as influenced by the consanguinity of a potential client.

H02 = There is no significant relationship between the composite transformational leadership score for the financial planner's most influential supervisor and a financial planner's willingness to provide service to a relative, as influenced by the consanguinity of a potential client.

H03 = There is no significant relationship between the composite transactional leadership score for the financial planner's most influential supervisor and a financial planner's perception of conflict, as influenced by the consanguinity of a potential client.

H04 = There is no significant relationship between the composite transactional leadership score for the financial planner's most influential supervisor and a financial planner's willingness to provide service to a relative, as influenced by the consanguinity of a potential client.

H05 = There is no significant relationship between the composite laissez faire leadership score for the financial planner's most influential supervisor and a financial planner's perception of conflict, as influenced by the consanguinity of a potential client.

H06 = There is no significant relationship between the composite laissez faire leadership score for the financial planner's most influential supervisor and a financial planner's willingness to provide service to a relative, as influenced by the consanguinity of a potential client.

H07 = There is no significant relationship between a financial planner's length of time under the most influential supervisor and the planner's perception of conflict, as influenced by the consanguinity of a potential client.

H08 = There is no significant relationship between a financial planner's length of time under the most

influential supervisor and the planner's willingness to provide service, as influenced by the consanguinity of a potential client.

H09 = There is no significant relationship between the planning credentials a financial planner holds and a planner's perception of conflict, as influenced by the consanguinity of a potential client.

H010 = There is no significant relationship between the planning credentials a financial planner holds and a planner's willingness to provide service, as influenced by the consanguinity of a potential client.

H011 = There is no significant relationship between a financial planner's years in practice and the planner's perception of conflict, as influenced by the consanguinity of a potential client.

H012 = There is no significant relationship between a financial planner's years in practice and the planner's willingness to provide service, as influenced by the consanguinity of a potential client.

H013 = There is no significant relationship between a financial planner's highest completed educational level and the planner's perception of conflict, as influenced by the consanguinity of a potential client.

H014 = There is no significant relationship between a financial planner's highest completed educational level and the planner's willingness to provide service, as influenced by the consanguinity of a potential client.

H015 = There is no significant relationship between a financial planner's age and the planner's perception of conflict, as influenced by the consanguinity of a potential client.

H016 = There is no significant relationship between a financial planner's age and the planner's willingness to provide service, as influenced by the consanguinity of a potential client.

Procedure

Ethical Considerations

The questionnaire instructions explained that participation was voluntary and data gathered would be used in a research study regarding financial planning. Subjects were told that all information will be kept strictly confidential, and that after the data are entered into a computer, all completed questionnaires would be destroyed. No personal identification was recorded or maintained. Subjects were also told that by completing the questionnaire, they were providing informed consent.

Data Collection and Analysis

The survey and the MLQ for raters were mailed to each subject with a stamped self-addressed return envelope. Non-responding subjects were contacted to encourage a response. Data was imputed into a regression analysis design using SPSS software. The statistical analysis utilized two dependent variables, two independent variables (one with three components), and five intervening variables (one with two components). These variables were evaluated using the F-test of significance. Model testing and formulation were calculated, using multiple regression. All tests of significance were at $p \leq .05$.

CHAPTER FOUR

Results

This chapter discusses the findings and analysis of results. First, the data collected from the returned research questionnaires are reviewed, considering the response rate and the sampling conducted. Second, findings are reviewed, based upon a multiple regression analysis of independent and intervening variables with each dependent variable. Relationships of statistical significance and other important findings are noted. Third, descriptive statistics for each of the eleven variables are reviewed, considering frequency distribution and other descriptive statistics. Fourth, each null hypothesis is reviewed in light of the findings of this research. Fifth, a model building and testing procedure is reviewed, resulting in two models that reflect the influence of statistically significant relationships of predictor variables with each dependent variable, viewed through the coefficient of determination, R^2, and R^2 change.

Data Collected

Of the 332 questionnaires mailed to subjects, 211 were returned. Of these, 5 were unusable due to failure to complete the MLQ. This left 206 completed

questionnaires, producing a response rate of 62.05 percent. The high response rate may have been due in part to encouragement by the President of the association to qualified members, in the monthly newsletter and on the website, to complete the questionnaire.

Findings

Prior to performing a multiple regression analysis upon each dependent variable and the predictor variables, the issue of linear dependency or partial linear dependency among the predictor variables was examined. A correlation matrix was computed for all variables. The intent of this analysis was to avoid using two variables in which one is either partially or entirely dependent upon the other. The benchmark of such dependency used for this research was $r \geq .5$ (George & Mallery, 2001). While correlations were found among the predictor variables, in each correlation $r < .5$. In addition, the two dependent variables of perception of conflict and willingness to provide service were correlated at $r = .716$, significant at $p \leq .05$. This analysis summarized in Table 1.

Table 1
Correlation of Study Variables

	CONSANG	TFORM LEAD	TACT LEAD	LF LEAD	YRS SUPRVD	FPLAN CRED	YRSN PRAC	HS GRAD	COL GRAD	AGE	PERC CONFL	WILL SERV
CONSANG	1.000											
TFORM LEAD	.065	1.000										
TACT LEAD	-.082	.190**	1.000									
LF LEAD	.265*	-.334**	-.072	1.000								
YRS SUPRVD	.009	.061	.041	.020	1.000							
FPLAN CRED	.130	.082	.006	.156*	.013	1.000						
YRSNPRAC	-.129	.003	.082	.019	.426**	.137	1.000					
HS GRAD	.026	-.102	.046	.072	.018	.021	-.007	1.000				
COL GRAD	-.153*	-.193**	-.148*	-.080	-.247**	-.158*	-.290**	-.321**	1.000			
AGE	-.026	-.021	.033	.076	.177*	.176*	.381**	-.009	-.289**	1.000		
PERC CONFL	.670**	-.056	-.063	.273**	.014	.235**	-.152*	-.035	-.086	.002	1.000	
WILL SERV	-.617**	-.175*	-.035	-.234**	.045	-.267**	.105	.082	.148*	-.124	-.716**	1.000

** Correlation is significant at the 0.01 level (2-tailed).
* Correlation is significant at the 0.05 level (2-tailed).
NOTE: Sample size in all estimates is 206 subjects.

A multiple regression analysis was then conducted for each dependent variable, using all predictors at once to determine Beta weighting. The results of these regressions are reflected in Tables 2 and 5. In the findings of each regression discussed below, the statistical significance of each predictor was calculated with all other variables held constant.

In both regressions consanguinity was found to have a statistically significant positive relation to a financial planner's perception of conflict and a statistically significant negative relation to willingness to provide service.

Transformational leadership from a financial planner's most influential financial planning supervisor was found to have a statistically significant negative relation to perception of conflict, as influenced by the consanguinity of a potential client. Transformational leadership from the most influential supervisor was also found to have a statistically significant negative relation to a financial planner's willingness to serve, as related to the consanguinity of a potential client.

Transactional and laissez faire leadership composites each had no statistically significant relation to a financial planner's perception of conflict or

willingness to serve, as influenced by the consanguinity of a potential client.

The intervening variable of years under supervision had no statistically significant relationship to a financial planner's perception of conflict or willingness to provide service, as influenced by the consanguinity of a potential client. The intervening variable financial planning credential(s) held had a statistically significant positive relation to a subject planner's perception of conflict, as influenced by the consanguinity of a potential client. Financial planning credential(s) held had a statistically significant negative relation to a subject planner's willingness to provide service, as influenced by the consanguinity of a potential client.

The intervening variable years in practice had a statistically significant negative relation to a subject planner's perception of conflict, as influenced by the consanguinity of a potential client. Years in practice had no statistically significant relation to a subject planner's willingness to provide service, as influenced by the consanguinity of a potential client.

The intervening variable highest completed level of education was divided into two variables: high school

graduate and college graduate. College graduate was coded for bachelor's degrees. Master's degree holders numbered 62, and could not be coded with bachelor's degrees, as the combined total of bachelor's and master's degree holders (195) had a correlation of 1.000 with high school graduates. Hence, the variable college graduate measured bachelor's degree holders only. There were no doctoral degree holders among responding subjects. Neither high school graduate nor college graduate had a statistically significant relation to a subject planner's perception of conflict or willingness to provide service, as each was influenced by the consanguinity of a potential client.

The intervening variable age had a statistically significant negative relation to a subject planner's willingness to provide service, as influenced by the consanguinity of a potential client. Age had no statistically significant relation to a subject planner's perception of conflict, when considering service to a relative.

Table 2 shows the multiple regression of all predictors at once for the dependent variable perception of conflict.

Table 2

Coefficients from Multiple Regression with Dependent Variable Perception of Conflict

	Coefficients		
Variables	b	Std. Error	Beta
(Constant)	1.884	.712	
CONSANG	.046	.004	.625**
TFLECOMP	-.244	.124	-.114*
TALECOMP	.060	.154	.020
LFLECOMP	.108	.128	.048
YRSUPERV	.030	.028	.062
FPSCALE	.152	.048	.168*
YRSNPRAC	-.025	.011	-.137*
AGE	.022	.008	.015
HS GRAD	-.475	.322	-.081
Col GRAD	-.069	.170	-.025

** Significant at the 0.00 level (2-tailed).
* Significant at the 0.05 level (2-tailed).

Table 3 indicates the strength of relationship between the predictor variables and the dependent variable perception of conflict. Table 4 reflects the degrees of freedom, df, and the F value for an ANOVA computed for the dependent variable perception of conflict.

Table 3
Strength of Relationship Between Predictors and Dependent Variable Perception of Conflict

R	R^2
.709	.503

NOTE: Predictors are (Constant), CONSANG, TFLECOMP, TALECOMP, LFLECOMP, YRSUPERV, FPSCALE, YRSNPRAC, AGE, HS GRAD, COL GRAD

Table 4
ANOVA for Dependent Variable Perception of Conflict

	Sum of Squares	df	F
Regression	180.376	10	19.713*
Residual	178.425	195	
Total	358.801	205	

* Significant at the 0.00 level (2-tailed).
NOTE: Predictors are (Constant), CONSANG, TFLECOMP, TALECOMP, LFLECOMP, YRSUPERV, FPSCALE, YRSNPRAC, AGE, HS GRAD, COL GRAD

Table 5 reflects the multiple regression of all predictors at once for the dependent willingness to provide service.

Table 5
Coefficients from Multiple Regression with Dependent Variable Willingness to Provide Service

	Coefficients		
Variables	b	Std. Error	Beta
(Constant)	5.936	.746	
CONSANG	-.041	.004	-.552**
TFLECOMP	-.310	.130	-.142*
TALECOMP	-.203	.161	-.067
LFLECOMP	-.260	.135	-.113
YRSUPERV	.026	.029	.051
FPSCALE	-.142	.050	-.153*
YRSNPRAC	.020	.012	.105
AGE	-.212	.009	-.144*
HS GRAD	.620	.338	.103
COL GRAD	.077	.178	.027

** Significant at the 0.00 level (2-tailed).
* Significant at the 0.05 level (2-tailed).

Table 6 indicates the strength of relationship between the predictor variables and the dependent variable willingness to provide service. Table 7 reflects the degrees of freedom, df, and the F score for an ANOVA

computed for the dependent variable willingness to provide service.

Table 6

Strength of Relationship Between Predictors and Dependent Variable Willingness to Provide Service

R	R^2
.692	.479

NOTE: Predictors are (Constant), CONSANG, TFLECOMP, TALECOMP, LFLECOMP, YRSUPERV, FPSCALE, YRSNPRAC, AGE, HS GRAD, COL GRAD

Table 7

ANOVA for Dependent Variable Willingness to Provide Service

	Sum of Squares	df	F
Regression	180.179	10	18.018*
Residual	196.040	195	
Total	376.218	205	

* Significant at the 0.00 level (2-tailed).
NOTE: Predictors are (Constant), CONSANG, TFLECOMP, TALECOMP, LFLECOMP, YRSUPERV, FPSCALE, YRSNPRAC, AGE, HS GRAD, COL GRAD

Descriptive Statistics

The values in each of the five intervening variables (one with two components), two independent variables (one with three components), and two dependent variables were estimated including frequency distribution and other descriptive statistics. Frequency distribution includes measures of frequency, percent for each value, and cumulative percent for the current and all prior values.

Cumulative percent was measured by increasing values, as all variables in the research are ordinal or interval. Other descriptive statistics include mean, median, mode, standard deviation, skewness, kurtosis, minimum and maximum values.

Age

The first demographic intervening variable is the age of each subject. Table 8 provides the frequency distribution for age.

Table 8
Frequency Distribution of Age

Percentile	Response	Frequency	Percent	Cumulative Percent
1	29.0	1	.5	1.0
25	41.0	9	4.4	25.4
50	50.0	13	6.3	56.1
75	55.0	10	4.9	79.0
99	73.0	2	1.0	99.5
Total		206	100.0	100.0

Table 9 provides other descriptive statistics for age.

Table 9
Other Descriptive Statistics for Age

	Age
Mean	48.520
St. Error of Mean	.640
Median	49.500
Mode	50.000a
Std. Deviation	9.180
Skewness	.104
St. Error of Skewness	.169
Kurtosis	-.189
Std. Error of Kurtosis	.337
Minimum	28.000
Maximum	75.000

a. Multiple modes exist. The smallest value is shown.

Highest Educational Level Completed

The second demographic intervening variable is highest educational level completed. As mentioned earlier, this variable is divided into two components, high school graduate and college graduate (bachelor's degree). Table 10 provides the frequency distribution for high school graduate.

Table 10
Frequency Distribution of High School Graduate

Response	Frequency	Percent	Cumulative Percent
.00	195	94.7	94.7
1.00	11	5.3	100.0
Total	206	100.0	100.0

NOTE: Response 1 = HS GRAD, response .00 = higher level.

Table 11 provides other descriptive statistics for high school graduate.

Table 11
Other Descriptive Statistics for High School Graduate

High School Graduate	
Mean	.053
St. Error of Mean	.016
Median	.000
Mode	.000
Std. Deviation	.225
Skewness	4.002
St. Error of Skewness	.169
Kurtosis	14.154
Std. Error of Kurtosis	.337
Minimum	.000
Maximum	1.000

NOTE: Response 1 = HS GRAD, response .00 = higher level.

Table 12 provides the frequency distribution for college graduate.

Table 12
Frequency Distribution of College Graduate

Response	Frequency	Percent	Cumulative Percent
.00	62	30.1	30.1
1.00	133	64.6	94.6
High School	11	5.3	100.0
Total	206	100.00	100.00

NOTE: Response 1 = bachelor's degree, response .00 = master's degree.

Table 13 provides other descriptive statistics for college graduate.

Table 13
Other Descriptive Statistics for College Graduate

	College Graduate
Mean	.646
St. Error of Mean	.033
Median	1.000
Mode	1.000
Std. Deviation	.480
Skewness	-.613
St. Error of Skewness	.169
Kurtosis	-1.640
Std. Error of Kurtosis	.337
Minimum	.000
Maximum	1.000

NOTE: Response 1 = bachelor's degree, response .00 = master's degree.

Years in Financial Planning Practice

The third demographic intervening variable measured in this research was years in financial planning practice. Table 14 provides the frequency distribution for years in practice.

Table 14
Frequency Distribution of Years In Practice

Percentile	Response	Frequency	Percent	Cumulative Percent
1	3.00	2	1.0	1.5
25	9.00	19	9.2	32.0
50	13.00	13	6.3	50.5
75	20.00	17	8.3	78.6
99	30.00	2	1.0	99.5
Total		206	100.0	100.0

Table 15 provides other descriptive statistics for years in practice.

Table 15
Other Descriptive Statistics for Years in Practice

	Years In Practice
Mean	14.570
St. Error of Mean	.500
Median	13.000
Mode	9.000
Std. Deviation	7.150
Skewness	.387
St. Error of Skewness	.169
Kurtosis	-.776
Std. Error of Kurtosis	.337
Minimum	1.000
Maximum	35.000

Financial Planning Credential(s) Held

The fourth demographic intervening variable was financial planning credential(s) held by a subject. The values for financial planning credentials held are registered by a score derived from a subject's answer on the questionnaire, applied to a financial planning credentials scale prepared by the researcher, an expert in financial planning. The scale is in the Appendix. Table 16 provides the frequency distribution for scores on the financial planning credentials scale.

Table 16
Frequency Distribution of Financial Planning Credentials Scale

Response	Frequency	Percent	Cumulative Percent
0	42	20.4	41.3
2	43	20.9	52.9
3	53	25.7	67.0
4	68	33.0	100.0
Total	206	100.0	100.0

Table 17 provides other descriptive statistics for the scores on the financial planning credentials scale.

Table 17
Other Descriptive Statistics for Scores on Financial Planning Credentials Scale

Scores on Financial Planning Scale	
Mean	2.510
St. Error of Mean	.100
Median	3.000
Mode	4.000
Std. Deviation	1.460
Skewness	-.688
St. Error of Skewness	.169
Kurtosis	-.850
Std. Error of Kurtosis	.337
Minimum	0.000
Maximum	4.000

Years Supervised by Most Influential Financial Planning Supervisor

The fifth intervening variable considered in this research was the number of years a subject has been supervised by the subject's most influential financial

planning supervisor. Table 18 provides the frequency distribution for the values of years under supervision.

Table 18
Frequency Distribution of Years Under Supervision

Percentile	Response	Frequency	Percent	Cumulative Percent
1	1.00	4	1.9	1.9
25	4.00	23	11.2	26.2
50	5.00	49	23.8	50.0
75	8.00	14	6.8	80.6
99	14.00	2	1.0	99.5
Total		206	100.0	100.0

Table 19 provides other descriptive statistics for the years under supervision.

Table 19
Other Descriptive Statistics for Years Under Supervision

	Years Under Supervision
Mean	6.160
St. Error of Mean	.190
Median	5.500
Mode	5.000
Std. Deviation	2.710
Skewness	.751
St. Error of Skewness	.169
Kurtosis	.480
Std. Error of Kurtosis	.337
Minimum	1.000
Maximum	15.000

Consanguinity

Consanguinity was the first of two independent variables. Consanguinity is measured in this research by the percentage of shared genes that the financial planner has with the prospective client in the hypothetical

scenario. The financial planner subject is told to imagine him or herself as the planner in the scenario. The scores for consanguinity ranged from 0 for a non-relative, to 12.5 for a cousin, 25 for an aunt/uncle, and 50 for a parent. Table 20 provides the frequency distribution for consanguinity.

Table 20
Frequency Distribution of Consanguinity

Response	Frequency	Percent	Cumulative Percent
0.0	54	26.2	26.2
12.5	54	26.2	52.4
25.0	52	25.2	77.7
50.0	46	22.3	100.0
Total	206	100.0	100.0

Table 21 provides other descriptive statistics for consanguinity.

Table 21
Other Descriptive Statistics for Consanguinity

Mean	20.7524
St. Error of Mean	1.2617
Median	12.5000
Mode	.0000
Std. Deviation	18.1082
Skewness	.5330
St. Error of Skewness	.1690
Kurtosis	-.9920
Std. Error of Kurtosis	.3370
Minimum	0.0000
Maximum	50.0000

Leadership Style of Most Influential Financial Planning Supervisor

The second independent variable in this research was the leadership style of the subject's most influential financial planning supervisor. This variable has three components, each derived from the MLQ. The transformational, transactional, and laissez faire composite scores are taken from the mean of the scores from each composite's pertinent questions on the MLQ questionnaire.

Transformational Leadership Composite.

The transformational leadership composite score is defined as the mean of a subject's scores for the 20 transformational questions on the MLQ. Table 22 provides the frequency distribution for the scores of the transformational leadership composite.

Table 22
Frequency Distribution of Transformational Leadership Composite

Percentile	Response	Frequency	Cumulative Percent
1	1.15	3	1.5
25	2.60	5	26.2
50	3.05	12	51.0
75	3.50	13	75.2
99	3.85	6	99.5
Total		206	100.0

Table 23 provides other descriptive statistics for the transformational leadership composite score

Table 23
Other Descriptive Statistics for Transformational Leadership Composite

	Transformational Leadership Composite
Mean	3.0027
St. Error of Mean	.0400
Median	3.0500
Mode	3.6000
Std. Deviation	.6193
Skewness	-.9940
St. Error of Skewness	.1690
Kurtosis	.8180
Std. Error of Kurtosis	.3370
Minimum	1.1500
Maximum	3.9000

Transactional Leadership Composite.

The transactional leadership composite score is defined as the mean of a subject's scores for the 12 transactional questions on the MLQ. Table 24 provides the frequency distribution for the scores of the transactional leadership composite.

Table 24
Frequency Distribution of Transactional Leadership Composite

Percentile	Response	Frequency	Percent	Cumulative Percent
1	1.25	6	2.9	2.9
25	1.92	7	3.4	27.7
50	2.17	44	21.4	56.3
75	2.42	5	2.4	75.7
99	3.50	3	1.5	100.0
Total		206	100.0	100.0

Table 25 provides other descriptive statistics for the transactional leadership composite scores.

Table 25
Other Descriptive Statistics for Transactional Leadership Composite

	Transactional Leadership Composite
Mean	2.1709
St. Error of Mean	.0300
Median	2.1700
Mode	2.1700
Std. Deviation	.4490
Skewness	.3330
St. Error of Skewness	.1690
Kurtosis	.8960
Std. Error of Kurtosis	.3370
Minimum	1.2500
Maximum	3.5000

Laissez Faire Leadership Composite.

The laissez faire leadership composite score is defined as the mean of a subject's scores for the 4 laissez faire questions on the MLQ. Table 26 provides the frequency distribution for the scores of the transactional leadership composite.

Table 26
Frequency Distribution of Laissez Faire Leadership Composite

Percentile	Response	Frequency	Percent	Cumulative Percent
1	0.00	24	11.7	11.7
25	.25	28	13.6	25.2
50	.75	33	16.0	51.0
75	1.25	25	12.1	82.0
99	2.25	4	1.9	99.5
Total		206	100.0	100.0

Table 27 provides other descriptive statistics for the transactional leadership composite scores.

Table 27
Other Descriptive Statistics for Laissez Faire Leadership Composite

	Laissez Faire Leadership Composite
Mean	.8677
St. Error of Mean	4.0400
Median	.7500
Mode	1.0000
Std. Deviation	.5914
Skewness	.4140
St. Error of Skewness	.1690
Kurtosis	-.3820
Std. Error of Kurtosis	.3370
Minimum	0.0000
Maximum	2.5000

Perception of Conflict

The financial planner's perception of conflict when considering the hypothetical scenario was the first of two dependent variables. Perception of conflict was scored from 1 to 5 on a Likert scale, from no conflict to very high conflict. Table 28 provides the frequency distribution for perception of conflict.

Table 28
Frequency Distribution of Perception of Conflict

Response	Frequency	Percent	Cumulative Percent
1	57	27.7	27.7
2	52	25.2	52.9
3	44	21.4	74.3
4	31	15.0	89.3
5	22	10.7	100.0
Total	206	100.0	100.0

Table 29 provides other descriptive statistics for perception of conflict.

Table 29
Other Descriptive Statistics for Perception of Conflict

	Perception of Conflict
Mean	2.560
St. Error of Mean	.090
Median	2.000
Mode	1.000
Std. Deviation	1.320
Skewness	.409
St. Error of Skewness	.169
Kurtosis	-.980
Std. Error of Kurtosis	.337
Minimum	1.000
Maximum	5.000

Willingness to Provide Service

The financial planner's willingness to provide financial planning service to the potential client in the hypothetical scenario was the second dependent variable in this research. Willingness to provide service is

scored on a Likert scale of 1 to 5, from unwilling to provide service to willing to provide service. Table 30 provides the frequency distribution of willingness to provide service.

Table 30
Frequency Distribution of Willingness to Provide Service

Response	Frequency	Percent	Cumulative Percent
1	52	25.2	25.2
2	56	27.2	52.4
3	44	21.4	74.3
4	25	12.1	85.9
5	29	14.1	100.0
Total	206	100.0	100.0

Table 31 provides other descriptive statistics for willingness to provide service.

Table 31
Other Descriptive Statistics for Willingness to Provide Service

	Willingness to Provide Service
Mean	2.630
St. Error of Mean	.090
Median	2.000
Mode	2.000
Std. Deviation	1.350
Skewness	.431
St. Error of Skewness	.169
Kurtosis	-.982
Std. Error of Kurtosis	.337
Minimum	1.000
Maximum	5.000

Null Hypotheses Tested

Table 32 is a summary of the 16 null hypotheses and their dispositions, reflecting the multiple regression analyses of Tables 2 and 5. A restatement of each of the 16 null hypotheses follows, with corresponding results from statistical analysis of the sample data. The statistical significance of each predictor considered in each null hypothesis was calculated with all other variables held constant.

Table 32
Summary of Null Hypotheses Tested Based Upon Multiple Regression Analyses

Hypothesis	Disposition
H01 - Dependent Variable: PERCONFL Predictor: TFLECOMP	Rejected: MORE TFLECOMP = LESS PERCONF
H02 - Dependent Variable: WILLSERV Predictor: TFLECOMP	Rejected: MORE TFLECOMP = LESS WILLSERV
H03 - Dependent Variable: PERCONFL Predictor: TALECOMP	Failed to Reject
H04 - Dependent Variable: WILLSERV Predictor: TALECOMP	Failed to Reject
H05 - Dependent Variable: PERCONFL Predictor: LFLECOMP	Failed to Reject
H06 - Dependent Variable: WILLSERV Predictor: LFLECOMP	Failed to Reject
H07 - Dependent Variable: PERCONFL Predictor: YRSUPERV	Failed to Reject
H08 - Dependent Variable: WILLSERV Predictor: YRSUPERV	Failed to Reject
H09 - Dependent Variable: PERCONFL Predictor: FPSCALE	Rejected: MORE FPSCALE = MORE PERCONFL
H010- Dependent Variable: WILLSERV Predictor: FPSCALE	Rejected: MORE FPSCALE = LESS WILLSERV
H011- Dependent Variable: PERCONFL Predictor: YRSNPRAC	Rejected: MORE YRSNPRAC = LESS PERCONFL
H012- Dependent Variable: WILLSERVE Predictor: YRSNPRAC	Failed to Reject
H013- Dependent Variable: PERCONFL Predictor: EDUCCOMP	Failed to Reject
H014- Dependent Variable: WILLSERVE Predictor: EDUCCOMP	Failed to Reject
H015- Dependent Variable: PERCONFL Predictor: AGE	Failed to Reject
H016- Dependent Variable: WILLSERV Predictor: AGE	Rejected: MORE AGE = LESS WILLSERVE

NOTE: Each null hypothesis includes the influence of all predictor variables (CONSANG, TFLECOMP, TALECOMP, LFLECOMP, YRSUPERV, FPSCALE, YRSNPRAC, EDUCCOMP, AGE) in computing influence of the stated predictor for each null hypothesis.

H01 = There is no relationship between the composite transformational leadership score for the financial planner's most influential supervisor and a financial planner's perception of conflict, as influenced by the consanguinity of a potential client. This null hypothesis was rejected due to the statistically significant positive relationship reflected in the multiple regression analysis shown in Table 2 above.

H02 = There is no relationship between the composite transformational leadership score for the financial planner's most influential supervisor and a financial planner's willingness to provide service, as influenced by the consanguinity of a potential client. This null hypothesis was rejected due to the statistically significant negative relationship reflected in the multiple regression analysis shown in Table 5 above.

H03 = There is no relationship between the composite transactional leadership score for the financial planner's most influential supervisor and a financial planner's perception of conflict, as influenced by the consanguinity of a potential client. This null hypothesis failed to be rejected due to the statistically non-significant relationship reflected in the multiple regression analysis shown in Table 2 above.

H04 = There is no relationship between the composite transactional leadership score for the financial planner's most influential supervisor and a financial planner's willingness to provide service, as influenced by the consanguinity of a potential client. This null hypothesis failed to be rejected due to the statistically insignificant relationship reflected in the multiple regression analysis shown in Table 5 above.

H05 = There is no relationship between the composite laissez faire leadership score for the financial planner's most influential supervisor and a financial planner's perception of conflict, as influenced by the consanguinity of a potential client. This null hypothesis failed to be rejected due to the statistically insignificant relationship reflected in the multiple regression analysis shown in Table 2 above.

H06 = There is no relationship between the composite laissez faire leadership score for the financial planner's most influential supervisor and a financial planner's willingness to provide service to a relative, as influenced by the consanguinity of a potential client. This null hypothesis failed to be rejected due to the statistically insignificant relationship reflected in the multiple regression analysis shown in Table 5 above.

H07 = There is no relationship between a financial planner's length of time under the supervision of the most influential supervisor and the planner's perception of conflict, as influenced by the consanguinity of a potential client. This null hypothesis failed to be rejected due to the statistically insignificant relationship reflected in the multiple regression analysis shown in Table 2 above.

H08 = There is no relationship between a financial planner's length of time under the supervision of the most influential supervisor and the planner's willingness to provide service, as influenced by the consanguinity of a potential client. This null hypothesis failed to be rejected due to the statistically insignificant relationship reflected in the multiple regression analysis shown in Table 5.

H09 = There is no relationship between holding a financial planning credential(s) and a planner's perception of conflict, as influenced by the consanguinity of a potential client. This null hypothesis was rejected due to the statistically significant positive relationship reflected in the multiple regression analysis shown in Table 2.

H010 = There is no relationship between holding a financial planning credential(s) and a planner's willingness to provide service, as influenced by the consanguinity of a potential client. This null hypothesis was rejected due to the statistically significant negative relationship reflected in the multiple regression analysis shown in Table 5.

H011 = There is no relationship between a financial planner's number of years in practice and the planner's perception of conflict, as influenced by the consanguinity of a potential client. This null hypothesis was rejected due to the statistically significant negative relationship reflected in the multiple regression analysis shown in Table 2.

H012 = There is no relationship between a financial planner's number of years in practice and the planner's willingness to provide service, as influenced by the consanguinity of a potential client. This null hypothesis failed to be rejected due to the statistically insignificant relationship reflected in the multiple regression analysis shown in Table 5.

H013 = There is no relationship between a financial planner's highest completed educational level and the planner's perception of conflict, as influenced by the

consanguinity of a potential client. This null hypothesis failed to be rejected due to the statistically insignificant relationship reflected in the multiple regression analysis shown in Table 2.

H014 = There is no relationship between a financial planner's highest completed educational level and the planner's willingness to provide service, as influenced by the consanguinity of a potential client. This null hypothesis failed to be rejected due to the statistically insignificant relationship reflected in the multiple regression analysis shown in Table 5 above.

H015 = There is no relationship between a financial planner's age and the planner's perception of conflict, as influenced by the consanguinity of a potential client. This null hypothesis failed to be rejected due to the statistically insignificant relationship reflected in the multiple regression analysis shown in Table 2 above.

H016 = There is no relationship between a financial planner's age and the planner's willingness to provide service, as influenced by the consanguinity of a potential client. This null hypothesis was rejected due to the statistically significant negative relationship reflected in the multiple regression analysis shown in Table 5 above.

Model Testing

To analyze the impact of all predictor variables upon each dependent variable, an exercise of model testing was done. With each dependent variable, the independent and intervening variables found to be statistically significant in the multiple regression analyses recorded in Tables 2 and 5 were used. These significant variables were calculated in the regressions of Tables 2 and 5 holding all other considered variables constant. The sequence of addition for each statistically significant independent and intervening variable to the regression model was based on a theory that follows below.

When a predictor variable was reviewed in relation to a dependent variable, if the statistical significance of the change in F was significant at $p \leq .05$, the model utilizing the variable was accepted. If the change in F from the variable was not significant at $p \leq .05$, the variable was removed from the model, to be considered in the last step with other independent and intervening variables not statistically significant to the dependent variable, as reflected in the multiple regression analysis in Tables 2 and 5. When all predictor variables have been considered in model testing, the resulting

model whose variables have been considered within the theoretical model sequence and whose variables each raise the change of F by a statistically significant level was considered the model of statistically significant predictor variables.

Dependent Variable Perception of conflict

Theory of Sequence.

The independent and intervening variables with a statistically sufficient relationship to the dependent variable perception of conflict were consanguinity, financial planning credential(s) held, years in practice, and the transformational leadership style composite of the planner's most influential leader. The modeling formation and testing uses the following theory of sequence for addition of these statistically significant predictor variables. A subject planner is expected first to be impressed with the consanguinity of the hypothetical potential client and then to reflect upon information accumulated from professional experience in general (included in the variable years in practice).

The subject planner then is expected to reflect upon more specific professional information received in the course of securing or maintaining a professional planning credential(s). Finally, the subject planner is considered

influenced by the extent of the transformational leadership style of the planner's most influential leader.

The *Model of Statistically Significant Predictor Variables*.

Table 33 reflects the formulation of a statistically significant model involving predictor variables and the dependent variable perception of conflict. Consanguinity influenced a change in F significant at a level of $p \leq .05$, reflecting $R = .670$ and $R^2 = .448$ in Model 1. The variable years in practice failed to introduce a statistically significant change in F after the application of the variable consanguinity. Hence, the variable years in practice was removed, eliminating Model 2.

Table 33
Models 1, 2 for Dependent Variable Perception of Conflict

Model	R	R Square	R Square Change	F Change	df1	df2	Sig. F Change
1	.670	.448	.448	165.809	1	204	.000
2	.673	.453	.004	1.625	1	203	.204

NOTE: Predictors for Model 1: (Constant), CONSANG
Predictors for Model 2: (Constant), CONSANG, YRSNPRAC

Table 34 reflects the addition of the variables financial planning credential(s) held for Model 3.

Financial planning credentials held influenced a change in F in Model 2 at a statistical significance level of $p \leq .05$, increasing R^2 to .471, reflecting an R^2 change of .022. The transformational leadership style composite was added for Model 4, influencing a change in F in Model 3 at a significance level of $p \leq .05$, increasing R^2 to .483, reflecting an R^2 change of .012.

Table 34
Models 1,3,4 for Dependent Variable Perception of Conflict

Model	R	R Square	R Square Change	F Change	df1	df2	Sig. F Change
1	.670	.448	.448	165.809	1	204	.000
3	.686	.471	.022	8.531	1	203	.004
4	.695	.483	.012	4.831	1	202	.029

NOTE: Predictors for Model 1: (Constant), CONSANG
Predictors for Model 3: (Constant), CONSANG, FPSCALE
Predictors for Model 4: (Constant), CONSANG, FPSCALE, TFLECOMP

Finally, the independent and intervening variables found not related to perception of conflict at $p \leq .05$ in Table 2 were applied in Model 5, together with the variable years in practice. Models 1, 3, 4, and 5 are included in Table 35. The variables in Model 5 did not produce a statistically significant change in F (.332) from Model 5, so Model 4 is considered the model of

statistically significant predictor variables for the dependent variable perception of conflict.

Table 35
Models 1,3,4,5 for Dependent Variable Perception of Conflict

Model	R	R Square	R Square Change	F Change	df1	df2	Sig. F Change
1	.670	.448	.448	165.809	1	204	.000
3	.686	.471	.022	8.531	1	203	.004
4	.695	.483	.012	4.831	1	202	.029
5	.709	.503	.020	1.106	7	196	.361

NOTE: Predictors for Model 1: (Constant), CONSANG
Predictors for Model 3: (Constant), CONSANG, FPSCALE
Predictors for Model 4: (Constant), CONSANG, FPSCALE, TFLECOMP
Predictors for Model 5: (Constant), CONSANG, FPSCALE, TFLECOMP, YRSUPERV, TALECOMP, AGE, HS GRAD, COL GRAD, LFLECOMP, YRSNPRAC

Dependent Variable Willingness to Provide Service

Theory of Sequence.

The independent and intervening variables with a statistically sufficient relationship to the dependent variable willingness to provide service were consanguinity, financial planning credential(s) held, age of the subject, and the transformational leadership style composite of the planner's most influential leader (Table 5). The modeling testing that follows assumes the subject planner is first impressed with the consanguinity of the hypothetical potential client. Due to the seriousness of

considering whether or not to provide service, the subject then reflects upon specific professional information received in the course of securing or maintaining a professional planning credential(s). Then the subject considers lifetime experience, particularly the confidence that often comes with aging. These influences are included in the variable age. Finally, the subject planner considers and is influenced by the extent of the transformational leadership style of the planner's most influential leader.

The *Model of Statistically Significant Predictor Variables.*

Table 36 reflects four models utilizing consanguinity, financial planning credential(s) held, age of subject, and the transformational leadership style composite of the most influential leader. Consanguinity in Model 6 influenced a change in F at a significance level of $p \leq .05$, an R^2 and R^2 change reading of .381. Financial planning credential(s) held in Model 7 influenced a change in F from Model 6, at a significance level of $p \leq .05$, with $R^2 = .416$ and R^2 change = .036.

Table 36
Models 6,7,8,9 for Dependent Variable Willingness to Provide Service

Model	R	R Square	R Square Change	F Change	df1	df2	Sig. F Change
6	.617	.381	.381	125.299	1	204	.000
7	.645	.416	.036	12.374	1	203	.001
8	.654	.428	.012	4.098	1	202	.044
9	.666	.443	.016	5.601	1	201	.019

NOTE: Predictors for Model 6: (Constant), CONSANG
Predictors for Model 7: (Constant), CONSANG, FPSCALE
Predictors for Model 8: (Constant), CONSANG, FPSCALE, AGE
Predictors for Model 9: (Constant), CONSANG, FPSCALE, AGE, TFLECOMP

In Model 8, age of subject influenced a change in F at a significance level of $p \leq .05$, with an $R^2 = .428$, R^2 change =.012. In Model 9, the transformational leadership style component influenced a change in F at $p \leq .05$, $R^2 = .443$, R^2 change = .016.

Table 37 includes Model 10, which includes variables not found statistically significant in the multiple regression reflected in Table 5. These variables together produced a statistically significant change in F from Model 9, necessitating that each of these variables be considered individually.

Only the variable years in practice influenced a statistically significant change in F when added separately to Model 9 in Model 11, noted in Table 38.

Model 12 then adds the predictor years under supervision, the transactional leadership style component, level of education completed, and the laissez faire leadership style component, which do not influence a significant change in F from Model 11, also noted in Table 38. Model 11 is considered the model of statistically significant predictor variables for the dependent variable willingness to provide service.

Table 37
Models 6,7,8,9,10 for Dependent Variable Willingness to Provide Service

Model	R	R Square	R Square Change	F Change	df1	df2	Sig. F Change
6	.617	.381	.381	125.299	1	204	.000
7	.645	.416	.036	12.374	1	203	.001
8	.654	.428	.012	4.098	1	202	.044
9	.666	.432	.016	5.601	1	201	.019
10	.692	.4479	.036	2.227	6	195	.042

NOTE: Predictors for Model 6: (Constant), CONSANG
Predictors for Model 7: (Constant), CONSANG, FPSCALE
Predictors for Model 8: (Constant), CONSANG, FPSCALE, AGE
Predictors for Model 9: (Constant), CONSANG, FPSCALE, AGE, TFLECOMP
Predictors for Model 10: (Constant), CONSANG, FPSCALE, AGE, TFLECOMP, YRSUPERV, TALECOMP, HS GRAD, COL GRAD, LFLECOMP, YRSNPRAC

Table 38
Models 6,7,8,9,11,12 for Dependent Variable Willingness to Provide Service

Model	R	R Square	R Square Change	F Change	df1	df2	Sig. F Change
6	.617	.381	.381	125.299	1	204	.000
7	.645	.416	.036	12.374	1	203	.001
8	.654	.428	.012	4.098	1	202	.044
9	.666	.432	.016	5.601	1	201	.019
11	.674	.454	.011	3.954	1	200	.048
12	.689	.475	.021	1.969	4	196	.101

NOTE: Predictors for Model 6: (Constant), CONSANG
Predictors for Model 7: (Constant), CONSANG, FPSCALE
Predictors for Model 8: (Constant), CONSANG, FPSCALE, AGE
Predictors for Model 9: (Constant), CONSANG, FPSCALE, AGE, TFLECOMP
Predictors for Model 11: (Constant), CONSANG, FPSCALE, AGE, TFLECOMP, YRSNPRAC
Predictors for Model 12: (Constant), CONSANG, FPSCALE, AGE, TFLECOMP, YRSNPRAC, YRSUPERV, TALECOMP, HS GRAD, COL GRAD, LFLECOMP

Consanguinity

Because consanguinity was found to be the most influential independent variable in this sample, it merits additional focus. Tables 39, 40, 41, and 42 reflect some of the descriptive statistics for the two dependent variables, sorted by the four levels of consanguinity (.00, 12.50, 25.00, and 50.00). As the consanguinity selection increases, the mean of perception of conflict increases, and the mean of willingness to provide service decreases.

Table 39
Perception of Conflict and Willingness to Provide Service When Consanguinity = .00

	N	Minimum	Maximum	Mean	Std. Deviation
PERCONFL	54	1	4	1.19	.55
WILLSERV	54	1	5	4.24	.93

Table 40
Perception of Conflict and Willingness to Provide Service When Consanguinity = 12.50

	N	Minimum	Maximum	Mean	Std. Deviation
PERCONFL	54	1	5	2.33	.78
WILLSERV	54	1	4	2.33	.93

Table 41
Perception of Conflict and Willingness to Provide Service When Consanguinity = 25.00

	N	Minimum	Maximum	Mean	Std. Deviation
PERCONFL	52	1	5	3.23	1.04
WILLSERV	52	1	5	2.12	.88

Table 42
Perception of Conflict and Willingness to Provide Service When Consanguinity = 50.00

	N	Minimum	Maximum	Mean	Std. Deviation
PERCONFL	46	1	5	3.67	1.25
WILLSERV	46	1	5	1.65	.97

Figures 1 and 2 further illustrate the relationship of each dependent variable as the consanguinity score increases.

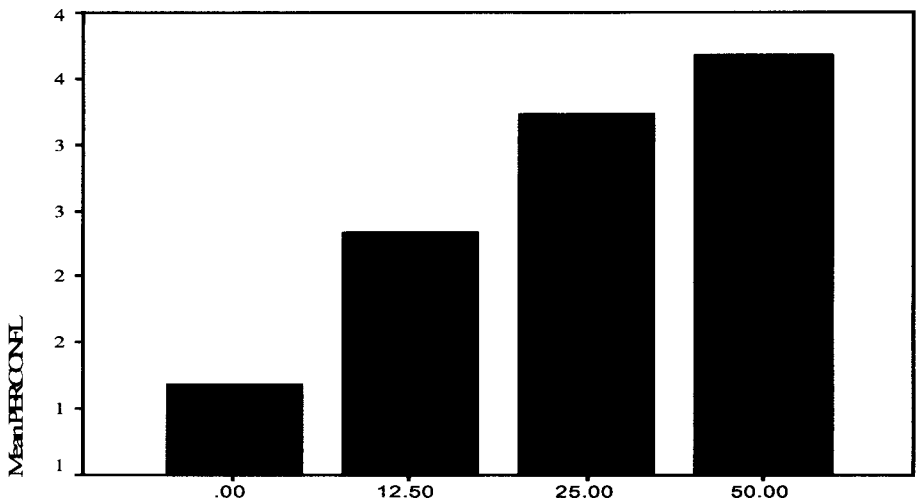

Figure 1
Perception of Conflict in Relation to Consanguinity Score

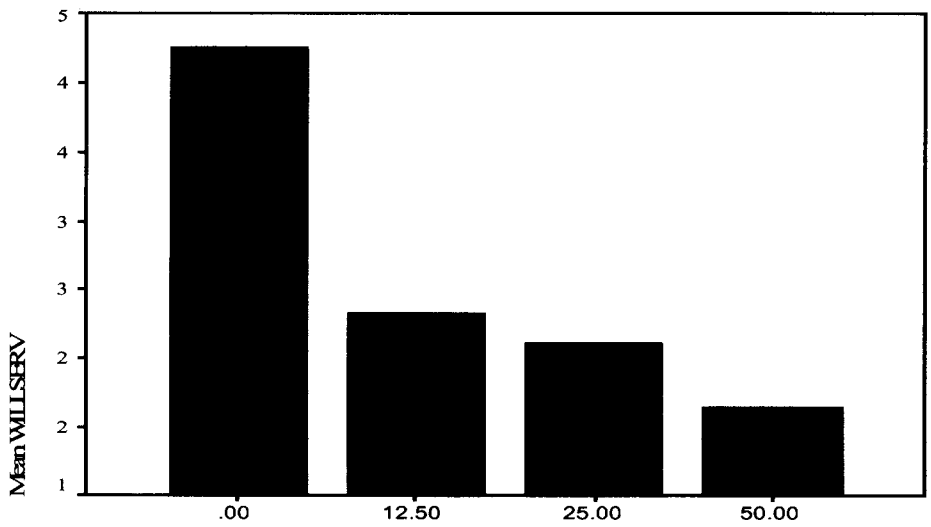

Figure 2
Willingness to Provide Service in Relation to Consanguinity Score

CHAPTER FIVE

Discussion and Conclusions

Summary

Summary of Findings

The findings of this research study can be summarized by briefly considering expected and unexpected statistically significant relationships found between predictors and the dependent variables. Expected and unexpected statistically significant findings are summarized on Table 43. All findings for each predictor and dependent variable were calculated by the multiple regressions summarized in Tables 2 and 5, holding all other predictors constant.

Table 43
Key Research Findings

Expected Relationships at $p \leq .05$
Consanguinity positive was a positive predictor for perception of conflict, meaning: Increased shared genes between a planner and a potential client increased planner's conflict
Consanguinity was a negative predictor for willingness to serve, meaning: Increased shared genes between a planner and a potential client decreased planner's willingness to serve potential client
Transformational leadership was a negative predictor for perception of conflict, meaning: Increased transformational leadership reduced a planner's perception of conflict
Transformational leadership was a negative predictor for willingness to serve, meaning: Increased transformational leadership reduced a planner's willingness to serve potential client.
Financial planning credential(s) was a negative predictor for willingness to serve, meaning: Increased financial planning credentials reduced a planner's willingness to serve a potential client
Years in practice was a negative predictor for perception of conflict, meaning: Increased years in practice reduced a planner's perception of conflict
Age of a planner was a negative predictor for willingness to serve, meaning: Increased age of a planner reduced a planner's willingness to serve a potential client

Unexpected Relationships at $p \leq .05$
Financial planning credential(s) was a positive predictor for perception of conflict, meaning: Increased financial planning credential(s) increased a planner's perception of conflict

Expected Relationships.

Consanguinity was positively related to perception of conflict. Increased shared genes between a planner and client increased the planner's perception of conflict.

Consanguinity was negatively related to willingness to serve. Increased shared genes between a planner and potential client decreased the planner's willingness to serve that potential client.

Transformational leadership was negatively related to perception of conflict. Increased transformational leadership reduced a planner's perception of conflict.

Transformational leadership was negatively related to willingness to serve. Increased transformational leadership reduced a planner's willingness to serve a potential client.

Financial planning credential(s) held was negatively related to willingness to serve. Increased financial planning credentials held reduced the planner's willingness to serve a potential client.

Years in practice was negatively related to perception of conflict. Increased years in practice reduced a planner's perception of conflict.

Age of a planner was negatively related to willingness to serve. Increased age of a planner reduced the planner's willingness to serve a potential client.

Unexpected Relationships or Other Findings.

Transactional leadership had no statistically significant relationship to perception of conflict.

Transactional leadership had no statistically significant relationship to willingness to serve.

Laissez faire leadership had no statistically significant relationship to perception of conflict.

Laissez faire leadership had no statistically significant relationship to willingness to serve.

Years supervised by the most influential planning supervisor had no statistically significant relationship to perception of conflict.

Years supervised by the most influential planning supervisor had no statistically significant relationship to willingness to serve.

Financial planning credential(s) held was positively related to perception of conflict. Increased financial planning credential(s) held increased a planner's perception of conflict.

Years in practice had no statistically significant relationship to willingness to serve.

Highest education level completed had no statistically significant relationship to perception of conflict.

Highest education level completed had no statistically significant relationship to willingness to serve.

Age of a planner had no statistically significant relationship to perception of conflict.

Summary of Model Testing and Formulation

The models formulated for each dependent variable were those found most predictive with the least variables. The model of statistically significant predictor variables for the dependent variable perception of conflict (Model 4) was constructed with the predictor variables consanguinity, financial planning credential(s) held, and the transformational leadership style composite. The model of statistically significant predictor variables for the dependent variable willingness to provide service (Model 11) was developed with the predictor variables consanguinity, financial planning credential(s) held, age, transformational leadership style composite, and years in practice.

Discussion of Findings

Independent and Dependent Variables

Consanguinity.

As noted above, the pre-sampling expectations of this predictor's influence upon both dependent variables were confirmed. Possibly the conflict of the responsibilities of a familial relationship and the responsibilities of a professional relationship precipitated a subject planner's perception of conflict and unwillingness to serve when the potential client was a relative.

Transformational Leadership Composite.

Pre-sampling expectations were confirmed for this predictor and both dependent variables. Perhaps transformational leadership style encouraged a subject planner to accept and then deal with any perceived conflict, thus somewhat lessening the perception of conflict itself. This influence may have resulted from the individualized consideration and intellectual stimulation behaviors of transformational leadership style.

The relationship of transformational leadership and willingness to serve may have the following explanation: Possibly a transformational leader, through

individualized consideration, intellectual motivation, and inspirational motivation encouraged subject planners to accept their own convictions about rendering service to an individual with a preexisting familial relationship, even if these convictions question old assumptions or traditions in financial planning practice. When considering the provision of service to a relative, such encouragement would allow a planner to consider a refusal to provide service.

Transactional Leadership Composite.

Prior to sampling, this research anticipated a statistically significant negative relationship between the transactional leadership composite and both dependent variables. This anticipation was based upon the theory that the transactional behaviors of arranging mutually satisfactory agreements between leaders and followers (from contingent reward emphasis) would encourage a planner's comfort in admission of conflicting situations and thus moderate the perception of conflict itself. In addition, mutually satisfying agreements were thought to allow a planner to decline or be hesitant to provide service when appropriate, as related to the consanguinity of a potential client.

The findings indicated the transactional leadership composite was negatively related to perception of conflict, though not at a level of statistical significance. The transactional component reflected a mild positive relationship with willingness to provide service, though also not at a statistically significant level. The lack of a statistically significant relationship of this variable with either dependent variable, and the different than anticipated direction in the relationship with willingness to provide service may have been due to the subject's more narrowly construing the contingent reward questions in the MLQ questionnaire than this study initially assumed.

The contingent reward questions contribute to the transactional leadership composite score, addressing mutually satisfactory agreements in relation to a follower achieving performance targets. If performance was understood by a subject planner in these questions to be a function of quantity of output more so than quality of output, the subject may not have perceived of admitting conflict or being hesitant to provide service as being reflected in the term performance. The subject would then have given the supervisor a higher score on transactional leadership than would have been the case

with a more qualitative interpretation of the questions. This study assumed before sampling a more balanced reading of performance as meaning both quantitative and qualitative measures.

The result of a more quantitative reading of the contingent reward questions could have produced two results: First, some leadership acceptance of planner conflict, thus perhaps reducing the perception of conflict, but not to a statistically significant extent; second, a slightly positive relation between transactional leadership and willingness to provide service.

Laissez Faire Leadership Composite.

Before sampling, the laissez faire leadership composite was expected to provide a positive influence upon planner perception of conflict and willingness to provide service. This research assumed that laissez faire leadership, or the avoidance of leadership responsibility (Bass, 1997), would heighten a planner's perception of conflict due to the leader being absent when needed. This research further assumed that a planner, with an absence of leadership support, would be unable to sustain an unwillingness to provide service, thus contributing to a positive relationship.

The findings indicated that the relationship between the laissez faire composite and perception of conflict was confirmed to be positive, but statistically insignificant. Apparently in this sample, the absence of leadership reflected in the laissez faire style exerted less influence upon a planner's perception of conflict than this research anticipated.

The laissez faire composite was found negatively related to willingness to provide service, but at a statistically insignificant level. Although the pre-sampling expectation of this study held a relationship would be found in the opposite direction, the lack of statistical significance in the findings of this sample reflects that the laissez faire style exerted less influence upon a subject planner's willingness to provide service than was anticipated.

Intervening Variables

The intervening variables for this research study were selected to measure other potential variables that may have been operative upon the two dependent variables. The variables initially were viewed as logical choice factors that could have had statistically significant ($p \leq .05$) influence upon the dependent variables. The findings indicated that three of the five intervening

variables exerted a statistically significant influence upon one or both dependent variables. What follows is a discussion of the findings for each intervening variable, focusing on the direction of any discovered relationship.

Years Supervised by Most Influential Financial Planning Supervisor.

Years supervised was found to have a moderately positive, statistically insignificant relationship to both perception of conflict and willingness to provide service. This study expected negative relationship to both dependent variables. Perhaps the number of years of supervision, as opposed to the leadership style of the supervisor, has much less impact upon a financial planner's perception of conflict or willingness to provide service when considering service to a relative than this research assumed.

Financial Planning Credential(s) Held.

The pre-sampling expectation of this research study viewed that holding a financial planning credential(s) would exert a negative influence upon a planner's perception of conflict, as influenced by the consanguinity of a potential client. Holding one or more planning credentials was thought to possibly provide a financial planner with sufficient professional confidence

to reduce the planner's perception of conflict, as influenced by the consanguinity of a hypothetical potential client. The findings indicated a statistically significant relation in the opposite direction. Holding a financial planning credential(s) was found positively related to a financial planning subject's perception of conflict, as influenced by the consanguinity of a hypothetical potential client.

In an effort to adjust the pre-sampling theory of this study with the variable holding a financial planning credential(s), the following revised theory may be explanatory. Perhaps holding a financial planning credential more thoroughly informed a subject planner of the professional obligations of a professional relationship than not holding a credential, and holding more than one planning credential was more professionally informative than holding just one credential. Increasing the number of financial planning credentials planner a planner held may then have contributed to making the potential conflict of professional obligations with familial obligations more obvious and the perception of conflict stronger.

The pre-sampling expectation of this research viewed holding a financial planning credential(s) as having a

negative relation to the dependent variable willingness to provide service. Holding one or more financial planning credentials was thought to provide a planner with sufficient professional confidence to facilitate the planner being hesitate to or not providing service to a relative. Analysis of this research data confirmed a finding in the expected direction.

Years in Practice.

Pre-sampling expectation of this research held that a financial planner's years in practice would be negatively related to the perception of conflict. This view anticipated that increasing professional experience would provide a planner with additional professional confidence, enabling the planner to calmly recognize potential client situations that may bring conflicting obligations without experiencing an increasing perception of conflict. The findings of this research confirm this view. Years in practice was found to have a statistically significant negative relationship with perception of conflict.

Prior to sampling, years in practice was expected to reflect a negative relationship with willingness to provide service, due to the theory of a planner increasing professional confidence with increasing years

in practice, and thus becoming more comfortable in hesitating or being unwilling to provide service to a potential client. Findings of this study reflected no statistically significant relationship between years in practice and a subject planner's willingness to provide service. Apparently in this sample, years in practice exerted little influence upon willingness to provide service.

Education Level Completed.

The highest completed educational level was expected by this research prior to sampling to be negatively related at a statistically significant level to both perception of conflict and willingness to provide service. Pre-sampling theory assumed that an increase in educational level completed would increase the subject planner's general confidence, thus enabling the planner to calmly recognize potential client situations that may bring conflicting obligations without experiencing an increasing perception of conflict. The increase in confidence was also thought to enable a subject planner to more readily consider hesitating or refusing to provide service to a potential client, as influenced by the potential client's consanguinity.

Analysis of the findings indicated the education level completed was not related to perception of conflict or willingness to provide service at a statistically significant level. Little can be concluded from this intervening variable in the sample other than that educational level completed seemed to have had little influence upon either dependent variable.

Age.

Age was expected by this research prior to sampling to be negatively related to both perception of conflict and willingness to provide service. Pre-sampling theory assumed that an increase in age would increase the subject planner's general confidence and comfort with conflict, thus enabling the subject planner to recognize potential client situations that may bring conflicting obligations with a somewhat moderating perception of conflict. The increase in confidence also was thought to enable a subject planner to more readily consider hesitating or refusing to provide service to a potential client.

Analysis of the findings indicated that age was not related to perception of conflict at a statistically significant level. In this sample, age of the subject planner exerted little influence upon the subject's

perception of conflict. Age was found negatively related to willingness to provide service at a statistically significant level, confirming the pre-sampling expectation.

Multiple Regression Models

The use of multiple regression modeling for each dependent variable was an effort to consider the statistically significant predictors from multiple regression analysis (Tables 2 and 5), applying these to consider possible influence to each dependent variable in a theoretically designed sequence.

Dependent Variable Perception of Conflict.

Model 4 (Table 32) was found to be the model of statistically significant predictor variables for the dependent variable perception of conflict. The model included these predictors in this order: consanguinity, financial planning credentials(s) held, and the transformational leadership style composite. Essentially, consanguinity strongly influenced perception of conflict positively and financial planning credential(s) held added positive influence. Transformational leadership style appeared to mitigate these influences somewhat with a negative relation to perception of conflict. The positive influence of financial planning credential(s)

was not expected, but the other relations were in the expected direction.

Dependent Variable Willingness to Provide Service.

Model 11 (Table 36) was found to be the model of statistically significant predictor variables for the dependent variable willingness to provide service. The model included these predictors in this order: consanguinity, financial planning credentials(s) held, age, transformational leadership style composite, and years in practice. Consanguinity provided strong negative influence on willingness to provide service, as did financial planning credential(s) held. Age provided further negative influence, as did the transformational leadership style composite. Finally, years in practice exerted negative influence upon willingness to provide service. All influence relations were in the expected direction.

Limitation of Findings

The sample used in this study was limited to financial planners who were members of a professional financial services association in Texas. Responses were possibly limited by being biased towards the policy direction of the professional association.

The sample size of 206 respondents was a limitation. In addition, limiting the gender in this sample to males only was a limitation. This was done due to the small percentage of female planners in the entire sample.

Recommended Further Research and Applications

Further Research

A follow-up study of those holding the Series 65 Registered Advisor registration, without consideration of professional association membership(s), would be useful. This type of sample may provide a broader spectrum of responses.

Further research with a larger random sample of 824 respondents would reduce the sampling error to half of that experienced in this study with 206 subjects. This sample should, if possible, be divided equally between male and female subjects. An equal number of male and female respondents would allow for measurement of gender as an independent variable.

Further research exploring the possible influence of perception of obligation in relation to consanguinity may be useful, as this potential predictor may influence a subject planner's perception of conflict and willingness to provide service, as influenced by the consanguinity of a hypothetical potential client. For example, a financial

planner may have such a strong perception of obligation for a parent and potential client that the planner may not be aware of possible conflicting responsibilities of the professional and familial roles. Isolating the variable perception of obligation in relation to consanguinity would reveal the extent of this variable's influence upon the two dependent variables of this research study.

Additional research that uses integrity testing as a predictor for the dependent variables perception of conflict and willingness to serve would be useful. A measure of a subject's integrity might provide a significant influence on the subject's perception of conflict and willingness to serve, as influenced by the consanguinity of a potential client.

Additional research that isolates the particular leadership behaviors within each leadership style of the MLQ would be useful to further determine specific leadership behaviors that may influence a planner's perception of conflict and willingness to provide service.

Applications

The multiple regression models developed from the sample data for each dependent variable have direct

applications to leaders of financial planning firms. These applications will be considered in terms of the dependent variable each addresses.

Model 4 - Dependent Variable Perception of Conflict.

Model 4 (Table 35) may be useful to the leader of a financial planning firm in reducing the conflict a financial planner perceives in the course of providing service, while encouraging a planner to recognize conflicting situations as they arise. To implement Model 4, the leader should consider creating a policy within the financial planning firm discouraging financial planning service by a planner to a relative. Such a policy would perhaps allow service to relatives when a planner could demonstrate that any conflict would not impair thorough, rigorous service. Potential clients not served by relative planners could be served by respected peer planners.

Second, the leader of the planning firm should consider providing incentives and training to encourage planners to acquire financial planning credentials. This influence may initially seem contrary to the objective of reducing the perception of conflict, as financial planning credentials was positively related to perception of conflict in Model 4. However, if the intent of a

leader is to continue to encourage a planner to recognize conflicting situations as they arise, while eliminating situations that contribute to conflict, such as planners serving relatives, then acquiring financial planning credentials may prove useful.

Finally, Model 4 reflects that transformational leadership behavior has a reducing or negative influence on the perception of conflict, as influenced by the consanguinity of a hypothetical potential client. The financial planning leader should consider using transformational leadership style behavior with planners to add an additional moderating influence to a financial planner's perception of conflict.

Model 11 - Dependent Variable Willingness to Provide Service.

Model 11 (Table 38) may be useful to a financial planning leader seeking to maximize the willingness of a planner to provide service, while maintaining the planner's willingness to refuse service where it seems appropriate. To implement Model 11, a planning leader again should consider establishing a firm policy discouraging service by a planner to a relative. This would remove most of the negative influence toward willingness to serve recorded in this study.

Second, the planning leader should consider encouraging the acquisition of financial planning credentials by providing incentives and training. Financial planning credentials were negatively related to willingness to serve, but with much less influence than consanguinity. Encouraging planning credentials may empower planners to refuse service when they deem it appropriate.

Third, as age was found negatively related to willingness to serve, this factor must be considered when considering application of Model 11. The use of age as a characteristic of planners can be viewed in two ways: first, efforts to remove the influence of age from a planning population can be viewed as encouraging a planner's willingness to serve. Second, encouraging the influence of age in a planner population can be viewed as encouraging a planner's reflective refusal to provide service when such a decision seems appropriate. This research study provides no compelling evidence for either interpretation. Consequently, no active measures are recommended to a financial planning leader regarding age when utilizing Model 11.

Fourth, the planning leader should consider using transformational leadership behavior with planners, as

this behavior had a moderating influence on a planner's willingness to serve. Like the influence of financial planning credentials, this variable can be viewed as empowering a planner to consider if engaging in service is really in the planner or potential client's best interest.

Finally, the financial planning leader should strive to develop planners with increasing years of service as a means of retaining a planner's willingness to refuse service when it seems warranted.

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Appendix A

Participant Survey - Parent as Potential Client

Questionnaire

Thank you very much for your participation in this study. Your participation is completely voluntary. The information you supply will become data for a research study about financial planning. Your information will be kept strictly confidential. After the data are entered into a computer, all completed questionnaires will be destroyed and you will not be personally identified.

The professional and demographic information is collected for research purposes only. Your name will not be associated with this information. By completing this form, you are giving consent for the information to be included in this study.

Thank you again for participating in this research project.
Please note: THE QUESTIONNAIRE INCLUDES THE *FRONT AND BACK* OF BOTH PAGES.

PROFESSIONAL AND DEMOGRAPHIC QUESTIONS
Please answer the following questions:

1. How long have you been in practice as a financial planner?
   _____ Years.

2. Please circle number of each financial planning credential that you hold:
   1 ChFC 2 CFP 3 PFS/CPA 4 CLU 5 RFP/RFC 6 None

3. How many years have you worked (or did you work) with the one financial planning supervisor most influential upon you?
   _____ Years.

4. Please circle the number indicating the highest level of education completed:
   1 High School 2 Bachelor's degree 3 Master's degree
   4 Doctoral degree

Please answer the following question:

5. What is your age on your last birth date? _____

SCENARIO

Please read the following hypothetical scenario as if YOU are the financial planner portrayed.

A financial planner has just completed an introductory interview with a prospective client. The prospective client has a net worth of slightly over $1,000,000 and has two unresolved planning objectives. The prospective client is agreeable to the planner's fee structure, and will consider doing financial planning on a fee only, fee and commission, or commission only basis. The client is the planner's (YOUR) **parent.**

After considering the scenario, please answer the following two questions, circling the number of your choice. Pick only ONE answer for each question.

In considering whether or not to provide financial planning service to this client, would YOU perceive:

1. No conflict.
2. Slight conflict.
3. Moderate conflict.
4. Strong conflict.
5. Very strong conflict.

How willing would YOU be to provide financial planning service to this client?

1. Unwilling, I would not accept the work, referring the prospective client to another financial planner.
2. Fairly unwilling, I probably would not accept the work.
3. Somewhat willing, I may accept the work.
4. Fairly willing, I would probably accept the work.
5. Willing, I would accept the work.

THE MLQ Multifactor Leadership Questionnaire, Rater Form

Please complete the following questions on the MLQ, considering each question as it applies to THE SUPERVISOR WHO HAS BEEN MOST INFLUENTIAL UPON YOU AS A FINANCIAL PLANNER. If this person is not your current supervisor, read the questions as being in the past tense.

For example, the first question on the MLQ states:

THE PERSON I AM RATING . . .

1. Provides me with assistance in exchange for my efforts.

Consider THE PERSON I AM RATING to be the supervisor of most influence upon you as a financial planner. If the person is not your present supervisor, read the question in the past tense, as:

1. Provided me with assistance in exchange for my efforts.

Appendix B

Participant Survey - Aunt/Uncle as Potential Client

Questionnaire

Thank you very much for your participation in this study. Your participation is completely voluntary. The information you supply will become data for a research study about financial planning. Your information will be kept strictly confidential. After the data are entered into a computer, all completed questionnaires will be destroyed and you will not be personally identified.

The professional and demographic information is collected for research purposes only. Your name will not be associated with this information. By completing this form, you are giving consent for the information to be included in this study.

Thank you again for participating in this research project.
Please note: THE QUESTIONNAIRE INCLUDES THE *FRONT AND BACK* OF BOTH PAGES.

PROFESSIONAL AND DEMOGRAPHIC QUESTIONS
Please answer the following questions:

1. How long have you been in practice as a financial planner?
   _____ Years.

2. Please circle number of each financial planning credential that you hold:
   1 ChFC 2 CFP 3 PFS/CPA 4 CLU 5 RFP/RFC 6 None

5. How many years have you worked (or did you work) with the one financial planning supervisor most influential upon you?
   _____ Years.

6. Please circle the number indicating the highest level of education completed:
   1 High School 2 Bachelor's degree 3 Master's degree
   4 Doctoral degree

Please answer the following question:

5. What is your age on your last birth date? _____

SCENARIO

Please read the following hypothetical scenario as if YOU are the financial planner portrayed.

A financial planner has just completed an introductory interview with a prospective client. The prospective client has a net worth of slightly over $1,000,000 and has two unresolved planning objectives. The prospective client is agreeable to the planner's fee structure, and will consider doing financial planning on a fee only, fee and commission, or commission only basis. The client is the planner's (YOUR) **aunt/uncle.**

After considering the scenario, please answer the following two questions, circling the number of your choice. Pick only ONE answer for each question.

In considering whether or not to provide financial planning service to this client, would YOU perceive:

1. No conflict.
2. Slight conflict.
3. Moderate conflict.
4. Strong conflict.
5. Very strong conflict.

How willing would YOU be to provide financial planning service to this client?

1. Unwilling, I would not accept the work, referring the prospective client to another financial planner.
2. Fairly unwilling, I probably would not accept the work.
3. Somewhat willing, I may accept the work.
4. Fairly willing, I would probably accept the work.
5. Willing, I would accept the work.

THE MLQ Multifactor Leadership Questionnaire, Rater Form

Please complete the following questions on the MLQ, considering each question as it applies to THE SUPERVISOR WHO HAS BEEN MOST INFLUENTIAL UPON YOU AS A FINANCIAL PLANNER. If this person is not your current supervisor, read the questions as being in the past tense.

For example, the first question on the MLQ states:

THE PERSON I AM RATING . . .

1. Provides me with assistance in exchange for my efforts.

Consider THE PERSON I AM RATING to be the supervisor of most influence upon you as a financial planner. If the person is not your present supervisor, read the question in the past tense, as:

1. Provided me with assistance in exchange for my efforts.

Appendix C

Participant Survey - 1st Cousin as Potential Client

Questionnaire

Thank you very much for your participation in this study. Your participation is completely voluntary. The information you supply will become data for a research study about financial planning. Your information will be kept strictly confidential. After the data are entered into a computer, all completed questionnaires will be destroyed and you will not be personally identified.

The professional and demographic information is collected for research purposes only. Your name will not be associated with this information. By completing this form, you are giving consent for the information to be included in this study.

Thank you again for participating in this research project.
Please note: THE QUESTIONNAIRE INCLUDES THE *FRONT AND BACK* OF BOTH PAGES.

PROFESSIONAL AND DEMOGRAPHIC QUESTIONS
Please answer the following questions:

1. How long have you been in practice as a financial planner?
   _____ Years.

2. Please circle number of each financial planning credential that you hold:
   1 ChFC 2 CFP 3 PFS/CPA 4 CLU 5 RFP/RFC 6 None

7. How many years have you worked (or did you work) with the one financial planning supervisor most influential upon you?
   _____ Years.

8. Please circle the number indicating the highest level of education completed:
   1 High School 2 Bachelor's degree 3 Master's degree
   4 Doctoral degree

Please answer the following question:

5. What is your age on your last birth date? _____

SCENARIO

Please read the following hypothetical scenario as if YOU are the financial planner portrayed.

A financial planner has just completed an introductory interview with a prospective client. The prospective client has a net worth of slightly over $1,000,000 and has two unresolved planning objectives. The prospective client is agreeable to the planner's fee structure, and will consider doing financial planning on a fee only, fee and commission, or commission only basis. The client is the planner's (YOUR) **1st cousin.**

After considering the scenario, please answer the following two questions, circling the number of your choice. Pick only ONE answer for each question.

In considering whether or not to provide financial planning service to this client, would YOU perceive:

1. No conflict.
2. Slight conflict.
3. Moderate conflict.
4. Strong conflict.
5. Very strong conflict.

How willing would YOU be to provide financial planning service to this client?

1. Unwilling, I would not accept the work, referring the prospective client to another financial planner.
2. Fairly unwilling, I probably would not accept the work.
3. Somewhat willing, I may accept the work.
4. Fairly willing, I would probably accept the work.
5. Willing, I would accept the work.

THE MLQ Multifactor Leadership Questionnaire, Rater Form

Please complete the following questions on the MLQ, considering each question as it applies to THE SUPERVISOR WHO HAS BEEN MOST INFLUENTIAL UPON YOU AS A FINANCIAL PLANNER. If this person is not your current supervisor, read the questions as being in the past tense.

For example, the first question on the MLQ states:

THE PERSON I AM RATING . . .

1. Provides me with assistance in exchange for my efforts.

Consider THE PERSON I AM RATING to be the supervisor of most influence upon you as a financial planner. If the person is not your present supervisor, read the question in the past tense, as:

1. Provided me with assistance in exchange for my efforts.

Appendix D

Participant Survey - Potential Client Not Related

Questionnaire

Thank you very much for your participation in this study. Your participation is completely voluntary. The information you supply will become data for a research study about financial planning. Your information will be kept strictly confidential. After the data are entered into a computer, all completed questionnaires will be destroyed and you will not be personally identified.

The professional and demographic information is collected for research purposes only. Your name will not be associated with this information. By completing this form, you are giving consent for the information to be included in this study.

Thank you again for participating in this research project.
Please note: THE QUESTIONNAIRE INCLUDES THE *FRONT AND BACK* OF BOTH PAGES.

PROFESSIONAL AND DEMOGRAPHIC QUESTIONS
Please answer the following questions:

1. How long have you been in practice as a financial planner?
   _____ Years.

2. Please circle number of each financial planning credential that you hold:
   1 ChFC 2 CFP 3 PFS/CPA 4 CLU 5 RFP /RFC 6 None

9. How many years have you worked (or did you work) with the one financial planning supervisor most influential upon you?
   _____ Years.

10. Please circle the number indicating the highest level of education completed:
    1 High School 2 Bachelor's degree 3 Master's degree
    4 Doctoral degree

Please answer the following question:

5. What is your age on your last birth date? _____

SCENARIO

Please read the following hypothetical scenario as if YOU are the financial planner portrayed.

A financial planner has just completed an introductory interview with a prospective client. The prospective client has a net worth of slightly over $1,000,000 and has two unresolved planning objectives. The prospective client is agreeable to the planner's fee structure, and will consider doing financial planning on a fee only, fee and commission, or commission only basis. The client is **not related to** the planner (YOU).

After considering the scenario, please answer the following two questions, circling the number of your choice. Pick only ONE answer for each question.

In considering whether or not to provide financial planning service to this client, would YOU perceive:

1. No conflict.
2. Slight conflict.
3. Moderate conflict.
4. Strong conflict.
5. Very strong conflict.

How willing would YOU be to provide financial planning service to this client?

1. Unwilling, I would not accept the work, referring the prospective client to another financial planner.
2. Fairly unwilling, I probably would not accept the work.
3. Somewhat willing, I may accept the work.
4. Fairly willing, I would probably accept the work.
5. Willing, I would accept the work.

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Please complete the following questions on the MLQ, considering each question as it applies to THE SUPERVISOR WHO HAS BEEN MOST INFLUENTIAL UPON YOU AS A FINANCIAL PLANNER. If this person is not your current supervisor, read the questions as being in the past tense.

For example, the first question on the MLQ states:

THE PERSON I AM RATING . . .

1. Provides me with assistance in exchange for my efforts.

Consider THE PERSON I AM RATING to be the supervisor of most influence upon you as a financial planner. If the person is not your present supervisor, read the question in the past tense, as:

1. Provided me with assistance in exchange for my efforts.

APPENDIX E

Scale for Financial Planning Credentials

Prepared by Frank C. Bearden, CLU, ChFC, MSM

Financial Planning Credential (s)	Value
None	0
RFP/RFC	1
CLU	2
ChFC, CFP, or PFS/CPA	3
Any combination of above	4