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# Creative Climate in the Financial Services Industry

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## **Purpose and Description**

The financial services industry as a whole has been void of creativity for some time. While other industries such as manufacturing, sales and even corporate America have benefited from integrating creativity into their business, the financial services industry, for the most part has continued to rely on what has brought them success in the past. One reason why they have strayed away from using creativity is because of the tight restraints that have been put upon them by the government. According to McCarty (2006),

Due to tight regulatory controls, financial service companies are naturally bureaucratic in nature. Rarely can employees strike out on their own in search of alternative approaches to business development. The organization and its workers must adhere to numerous rules and regulations set by the Securities and Exchange Commission (SEC), the various stock exchanges, and other federal oversight agencies. However, the environment should not be completely void of creativity. Indeed, creative problem solving is more essential than ever in financial services (p. 2).

Although most companies in this industry lack creativity, most claim to be creative. Northstar Financial Planners, Inc. claims that they offer an “advisory relationship built on personal trust, creativity and integrity” (Northstar Financial Planners, Inc., para. 1). Planning Dynamics, Inc. include on their website that they “provide creative financial planning solutions no matter where in your current

phase of life you might be. We believe that no two people and no two problems are ever the same and problem solving is what we do best (Planning Dynamics, Inc., para. 1). Phoenix Group Advisory Services, LLC claims “In addition to the knowledge and experience the Phoenix team of professionals brings to any situation, we take special pride in our expertise in innovative problem-solving. We offer a fresh, new perspective and a highly energized and creative approach to any situation, qualities that foster the out-of-the-box thinking that is often necessary to overcome complex challenges” (Phoenix Group Advisory Services, LLC, para. 1). These are just three examples of many websites that I visited that claim to be creative, innovative and problem solvers, but nowhere do they explain how they actually use creativity in anything that they do, including when advising their clients. While every company and every financial advisor has a different way in which they take a client through their particular financial process, everything that I have researched and have been told by people in the industry, I have yet find anybody or any company who uses creative tools in their process. While these companies are claiming to be creative, most companies in the financial services industry still use ancient strategies to try finding new clients. Strategies such as cold-calling random people in hope that somebody will listen to them long enough so they can explain what they do before getting hung up on, are common place in most offices. In the past cold calling was a decent way to find new clients but now with so many companies using telemarketers to try selling their products, consumers have become much smarter in avoiding these annoying calls. We now have caller-ID, answering machines and the national do-

not-call list to avoid talking to telemarketers calling to sell their company's products. While every company in the financial services industry has different approaches in which they find new clients and the process in which they use to lead their clients through their financial health, I have yet to find any approaches that integrate creativity to help them in either of these processes.

Being a financial advisor is not easy. The national retention rate of a financial advisor is only 13%. Another words, 87 out of 100 who start a career as a financial advisor will not make it. The reason for this extremely low number is due to the difficulty in finding a good base of clients during your first couple of years in the business. The majority of people in the industry agree that if one can make it through the first three years, they will not only make it in the industry, but they will be very successful. During this time they are looking for a solid base of clients. When they find those clients they are hoping that they will give good referrals that will lead to more and more clients. If they have survived to the fourth year it's because they were able to find a solid base of clients and from that point on things will become a lot easier. Potential clients start coming to them because you have established yourself in the community and your clients are so satisfied with how you have helped them that they continue referring you to new business.

In this paper I assess the creative climate in the financial services industry and provide some suggestions on what can be done to increase that climate to become a more successful company. The purpose of this paper is to help me find creative ways that will assist me in making sure that I get past that three year

mark, launching me into a very successful career and not becoming just another statistic.

### **Rationale for Selection**

The reason that I chose to do this project on creativity in the financial services industry is because I just started a job as a financial advisor. I was offered the job after facilitating a creative problem solving session where the group I was working with was trying to develop a mission statement for their church. What I was doing during the facilitation interested somebody so much that they asked me to come and work for them. How I presented myself during the facilitation and my expertise using the tools of creativity, made such a deep impression on somebody that they thought I could be successful in this industry despite having no experience or schooling in the field of finance.

Working for a company that has thrived in this industry for over 30 years I don't want to come in and start doing things dramatically different than what I am taught by my mentors who have already proven to be very successful. But at the same time I do believe, just as the gentlemen that saw me facilitating, that I have a lot to bring to the table. This opportunity is something that I am very excited about. Being in the Creative Studies department is the reason that I originally got this job, and I believe that using the skills that I have learned while being there will be the reason that I will be successful.

## **History of Creativity in the Business World**

For thousands of years creativity has been used in every aspect of life, from finding ways to eat and build shelter (hunter & gathers) to innovating new products that have made our lives a lot easier (the wheel). But only in last 60 years has the discipline of creativity and the creative thinker been studied, researched and documented. During this time leading companies have taken advantage of using creativity to give them the competitive advantage that they need over their competition to put them at the top of their industry.

The use of creativity in the business world became apparent as early as the middle 1900's. In 1919 a man by the name of Alex Osborn joined with three others to form an advertising agency called BBDO. Osborn was the advertising executive of the BBDO branch in Buffalo, NY. BBDO had great success, even throughout the Great Depression. However, in 1939 BBDO went through a major crisis when they lost many of its clients and key personnel. During these hard times Osborn was asked to move to New York City to help revitalize a company that had major financial and marketing problems. Osborn helped save and revitalize BBDO in two ways. First, Osborn played a huge part in helping secure a big account with Goodrich Tire. Secondly, he introduced his employees to brainstorming and the beginnings of what would later be known as Creative Problem Solving (CPS). This allowed them to come up with new and innovative ideas that would keep their firm ahead of their competition. Because of Osborn's help in the restructuring of BBDO and introducing them to creativity, they quickly went from a dying organization to a corporation worth over \$50 million and is still

a successful organization to this day. With the success of using creativity in the business world, other companies started to catch on. Innovative companies not only started using creativity tools such as brainstorming, but they also started to look at the creative climate of their company and what they could do to make it more conducive to promoting a creative environment. Professor Larry Cummings from the Kelley School of Business at Indiana University believed that creative climate and the use of creative abilities within an organization are based on three variables; “top management’s attitudinal posture regarding the value of creativeness and innovation; the organizational slack present in the resource inputs; and, certainly, the organizational climate created by the organization’s design, control system, and reward system” (Cummings, 1965, p.220).

### **Creative Climate**

While many have tried to define what exactly a creative climate consists of, Sundgren, Selart, Ingelgård & Bengtson (2005) write about the many things that a company needs to look at in order to foster a creative climate.

A creative climate refers to factors that stimulate or block creativity and innovations in everyday life (Ekvall, 1996, 1997). They include an organization’s leadership styles, visions, objectives, goals, strategies, resources, personnel policies, beliefs, values, structures and systems. All these factors are crucial for how people view the climate in which they work. A creative climate, regarded as a culture, may be defined as a

system of shared meaning held by members that distinguishes the organization from other organizations (Schein, 1985), (p. 84).

While Sundgren et al., look at the different dimensions associated with a creative climate, Ekvall (1996) focuses more on how employees need to adapt and respond to the creative climate to make it successful.

Climate is regarded as an attribute of the organization, a conglomerate of attitudes, feelings, and behaviors which characterizes life in an organization, and exists independently of perceptions and understandings of the members of the organization. This conception of climate implies that there is a certain of, say, trust and openness between the members, of commitment and motivation, of risk-taking mentality, etc. (p.105).

Since the early days of Alex Osborn and Larry Cummings many companies have tried to follow suit and incorporate or change things, including those mentioned in the above definition. While some have succeeded, others have not. Usually the companies that have not succeeded are the larger companies that have to go through a long chain of command before change can be implemented.

Large bureaucracies generate a vast network of regulations and tacit 'strategies' that define 'appropriate' rules of conduct. They stifle creativity and innovation. Important questions are coldly received. Thinking that challenges the status quo is stifled. Innovative thinking is dismissed as irresponsible, absurd, unreasonable, or impractical. Rules and regulations become ends in themselves rather than vehicles for reasonable decisions. (Paul & Elder, 2002, p. 234)

Many smaller companies eliminate much of the bureaucracy because there are fewer steps to get to top management and change policies that allow workers to be more creative. With smaller companies it is also a lot easier to implement some of these strategies. As a company starts to expand, there is more middle management and more steps to implement change. With a large company change takes longer to be taught, practiced and managed the way that it is supposed to work. Because of this, many of these initiatives to become more creative fizzle out before they actually get a chance to radically change a company. "This is why organizations must adjust and adapt business practices in order to keep the spark of creativity alive; they must learn to strike a balance between the policies that drive the mission and the procedures that help achieve the mission" (Paul & Elder, 2002, p. 235). Those responsible for driving that mission is the leadership of the company. "In an organization where a creative climate is desired, it is up to management to arrange the conditions that are conducive to such a climate" (VanGundy, 1984, p.24). "The quality of the upper-management leadership is critical to fostering creative solutions to problems in the workplace and allowing employees to "break out-of-the-box" as contributors to this creativity" (Cangemi & Miller, 2007, p.401) However, too many organizations follow traditional management styles and this never happens.

Drucker (2002) believed that:

The traditional approach creates numerous shortcomings which restrict employee creativity and develop "in-the-box" solutions. The controlling, upper management decision-making frequently fails to include those who

are closest to the problem. Under time constraints, pressure builds for a quick solution. As pressure builds, people are blamed rather than problems being fixed. As tempers flare, trust declines and people become closed and guarded. Even in a less pressured environment, people are reluctant to offer newer creative ideas because the ideas are disregarded, devalued, taken by management with no recognition to the originator, or used to increase baseline work expectations for the hourly work force. So the organization continues to deal with problems in its usual “in the box” solutions (p. 73).

Knights & McCabe (1998) suggested that:

This is particularly extreme in financial services where economic deregulation has pushed companies into aggressive competition with one another, resulting in cost constraints and short-term profits dominating corporate behavior. In these circumstances talk of 'eliminating fear' and work quotas seem unduly optimistic despite the introduction of OI's, (organizational innovations) and we do not foresee any fundamental transformation in organizations, the employment relationship or management styles occurring. (p. 182)

Knight & McCabe (1998) did research on organizational innovation in the workplace. In their research they looked at the financial services industry in the UK. The results of their study were “not indicative of an ‘end’ of bureaucracy, as such conditions remain structurally and culturally embedded within traditional

hierarchical frameworks” (p. 181). If this trend continues in the Financial Services Industry, it is going to make it very difficult to have a creative climate.

### **Barriers to Creativity**

So many companies try to promote creativity. They talk extensively about the need for creativity. They say they need it to be successful. They spend lots of money to bring people in and give workshops to help their employees think more creatively, but at the same time they have barriers set up that don't allow their employees to be creative. Therefore they get the exact opposite results they were originally looking for because these “barriers or inhibitors block, suppress, and drive into hiding the creative talents of individuals” (Groth & Peters, 1999, p.179). Most of the time these barriers are unintentional. Management does not go out and try to set up barriers so that their staff will be less creative. However, there are small, subtle things that occur in an office, that if not identified, will kill creativity. “Managers cannot be expected to ignore business imperatives, of course. But in working toward these imperatives, they may be inadvertently designing organizations that systematically crush creativity”

(Amabile, 1998, p.77 ). Amabile (1998) also noticed that:

Creativity gets killed much more often than it gets supported. For the most part, this isn't because managers have a vendetta against creativity. On the contrary, most believe in the value of new and useful ideas. However, creativity is undermined unintentionally every day in work environments

that were established – for entirely good reasons – to maximize business imperatives such as co-ordination, productivity, and control” (p. 77).

For this reason it is important to figure out what inhibits creativity in the workplace. Researchers and “Scholars have largely concentrated on factors that promote creativity, ignoring those that inhibit creativity” (Amabile et al., 1996). Groth & Peters (1999) did a study with over 1700 people over a ten-year period on the barriers and inhibitors that “block creativity and suppress or drive into hiding the creative talents of individuals and limit or destroy ‘creative willingness’” (p. 179). Everyone who participated in this study was a mid-level manager. In the short time allowed, these mid-level managers were asked to come up with barriers/inhibitors to creativity in three areas: 1) perceived barriers to creativity in the work and personal environment; 2) inhibitors to creativity that were likely common across all people in any corporate or organizational setting; and 3) perceived barriers to creativity in the corporate/organizational setting in which they worked. While many inhibitors were identified, including routines, time, money and lack of knowledge, the most common factor was fear. Fear of “failure; of rejection; of ridicule; of peer group pressure; of success; of consequences; of criticism” (p. 184). “Employees fear the leader becoming angry, belittling them with sarcasm and subtle thoughts. In fact, many people fear these attacks on their self esteem even more the actual termination of their job” (Cangemi & Miller, 2007, p. 403). Groth & Peters (1999) argue that “the removal of inhibitors, both in personal and professional environments, will result in greater utilization of creative talents” (Groth & Peters, 1999, p. 186).

## **The Lack of Creativity in the Financial Services Industry**

The financial services industry is facing many of the same problems that other industries are facing. In an industry faced with so many compliance issues, most companies find themselves doing what they have always done instead of stepping out-of-the-box and implementing new and creative ideas. DiVanna argues that innovation is paramount to the industry moving forward, but the challenges make it difficult for employees to bring about change. He says, “People are the financial services organizations’ greatest asset. Yet they are continually organized in structures which prevent them from attaining the business agility needed for the twenty-first century” (McCarty, 2006, p. 16). Part of this is because of compliance issues that seem to get more and more stringent every year. A perfect example of this are life insurance policies. Forty years ago when you applied for life insurance, all you needed to do was fill out a one page application. To do the same thing today, a typical life insurance application is approximately 30 pages long!

In a speech at Wake Forest University on 2005, Ken Thompson, Chairman and CEO of Wachovia, stated that “creativity is the lifeblood by which the most innovative companies will survive in a competitive international economy” (McCarty, 2006, p. 16). Creativity is nurtured at Wachovia, he says “by creating an environment where it is safe to make even a major mistake; by analyzing competition to spur creative responses; and by establishing a work atmosphere that encourages employees to think creatively” (McCarty, 2006, p. 16).

Everything that we have talked about thus far can be looked at through organizational creativity. Although there is no specific definition for organizational creativity, McCarty (2006) sees it as:

...the creation of new and useful ideas (Carr, 1994; Robinson & Stern, 1997; Woodman, Sawyer & Griffin, 1993;) which are novel, appropriate (Amabile, 1997; Carr, 1994; Styhre & Sundgren, 2005), and valuable (Carr, 1994; Woodman, et al., 1993). Organizational creativity occurs within complex social structures and is a precursor to innovation, an essential element in organizational growth and development (Amabile, 1997; Woodman, et al., 1993). In addition, high levels of organizational creativity are associated with greater competitive advantage (Carr, 1994; Robinson & Stern, 1997; The Gallup Organization, 2006)” (p. 9).

### **How to be more Creative in the Financial Services Industry**

In order for the financial services industry to become more creative, it has to start with the leadership of the company. “The quality of the upper management leadership is critical to fostering creative solutions to problems in the workplace and allowing employees to ‘break-out-of-the-box’ as contributors to this creativity” (Cangemi & Miller, 2007, p.402). When asked in an interview about creativity, Gallup Management Journal chairman and CEO, Jim Clifton said; “It starts with leadership. First you’ve got to make it OK throughout your organization to be creative, then you have to make it a part of people’s job.... it’s

a leadership issue. You've got to make creativity part of the culture" (The Gallup Organization, 2006, p.2). So, how do we make creativity part of the culture of an organization? How do we make creativity the culture of an organization that is in an industry that has been void of creativity? It all starts with who is in charge. Leadership is responsible for creating a creative climate that will allow their employees to soar and in order for that to happen a management team that is creativity minded, is needed. If the management team is not on-board with what the company is trying to do, it will never happen. That is why it is important to hire the right people. When David Welty was hired as the corporate creative director of Hallmark's Specialty Creative Division he wanted to build a creative culture that would cultivate and nurture a creative environment for his employees. The first thing that Welty did after he physically divided his group from the rest of Hallmark was to "hire mid-level managers who could help create the supported environment that he envisioned" (Mauzy & Harriman, 2003, p. 27). When asked why he did what he did, Welty responded "I needed to build a creative climate inside a results-driven business culture that would nurture a wide range of creative types" (Mauzy & Harriman, 2003, p. 27). If a company in the financial services industry wants to have a team of financial advisors that are going to be creative in their planning, they will need to start by hiring managers who are going cultivate a creative environment. Once there is a creative leadership team, they will then develop a creative climate that will allow their financial advisors to think out-of-the-box.

To develop a creative environment it is important that employees are intrinsically motivated. Amabile, who has done a lot of work with creativity and intrinsic motivation, defined it as “the motivation to engage in work primarily for its own sake, because the work itself is interesting, engaging, or in some way satisfying” (Amabile, Hill, Hennessey & Tighe, 1994, p. 950). In this industry there are two people. Those who are intrinsically motivated and those who are extrinsically motivated. Those who are extrinsically motivated are motivated by their paycheck. This is an industry where one can make a lot of money. Financial advisors who are in this business because they want a big salary do not have their client’s best interests in mind. They try to make as many appointments with as many clients as possible. They try to meet with them in the least amount of meetings and attempt to sell them on something even before they know their client’s true interests. These financial advisors usually do not make it too long in the industry, but if they do, they are most likely not going to be as successful as those who are intrinsically motivated and have their client’s best interests in mind.

Those who are intrinsically motivated by their clients have a completely different mindset. They are motivated when they do something that helps out somebody else. They are motivated when they help their clients save money to buy a house. They are motivated by handing a check to the heart broken spouse of a client who had had a million dollar life insurance policy so his wife didn’t have to worry about anything once he passed. “Similarly, conceptions of intrinsic motivation include challenge, enjoyment, personal enrichment, interest, and self-

determination” (Amabile et al., 1994, p. 951). These traits are what creative managers need coach their new prospects so that they grow up as good, moral, intrinsically motivated advisors.

My parents went to see five different financial advisors. The first four they visited, they had one meeting and never went back. The reason they never went back is because it was very obvious to them that all four financial advisors they dealt with, were extrinsically focused. All they wanted to do was sell them something. Eight years later they tried one more company. This experience was completely different than the first four. This time the financial advisor wanted to get to know them; what they were passionate about, what motivated them and who they were as people. The first meeting they didn't even talk about product. Not only did they go to a second meeting, but they also invested into a mutual fund, bought life insurance and handed over their finances to their new financial advisor. They did this because their financial advisor was intrinsically motivated and took the time to get to know them and to find out what their personal, professional and financial goals were. Once they knew what motivated my parents and found out what their goals were, they then did what was truly in their best interest. When management in the financial services industry is teaching their advisors to be intrinsically motivated, they are at the same time helping them to be more creative. “Groups, like individuals, perform more creatively when intrinsically motivated. Climates conducive to creativity nurture the individuality at the heart of intrinsic motivation. They provide the safety necessary for curiosity to flourish” (Mauzy & Harriman, 2003, p. 27).

As stated earlier, a creative climate refers to many different things in an organization, including, “an organizations leadership styles, visions, objectives, goals, strategies, resources, personnel policies, beliefs, values, structures and symptoms. All of these factors are crucial for how people view the climate in which they work” (Sundgren et al., 2005, p. 84). These factors of a creative climate are critical in any environment looking to be more creative, including the financial services industry. Ekvall (2006) explained what happens when an organization sets up leadership that allows for a creative climate:

In the context of organizational processes, climate plays the part of an intervening variable which affects the results of the operations of the organization. The climate has the moderating power because it influences organizational processes such as problem solving, decision making, communications, co-ordination, controlling, and psychological processes of learning, creating, motivation, and commitment (p.106).

### **Ekvall's 10 Dimensions**

A good way to find out if an organization has a creative climate is by assessing the office environment to see if it is conducive for creativity. One way to do that is by using the Creative Climate Questionnaire (CCQ). “The CCQ was designed to measure organizational conditions that may stimulate or hamper creativity and innovation. More specifically, it is a questionnaire measuring the climate for creativity within organizations” (Mathisen & Einarsen, 2004, p. 121).

Ekvall developed this measure based on 10 dimensions of a creative climate. While all of these dimensions are applicable to any organization, five of them could be used to radically change a company in the financial services industry. These dimensions are, Challenge, Freedom, Idea time, Idea support and Risk taking. If these five dimensions were followed in the office of a financial services company, it would allow financial advisors to be more creative in multiple aspects of their job and allow them to be more successful in their profession.

*Challenge* “is the degree of emotional involvement and ‘ownership’ each individual feels in the job” (Fox & Fox, 2004, p. 41). “A high challenge climate is seen when the people are experiencing joy and meaningfulness in their job, and, therefore, they invest much energy” (Ekvall, 1996, p. 107). When this environment is set up for financial advisors, they will experience more intrinsic motivation. As we discussed earlier, when intrinsically motivated, an advisor is focused on their client’s wants and needs and not on the pay check that they could possibly get from them. When they are intrinsically motivated they are going to feel better about themselves, last longer in the industry and ultimately be more successful.

*Freedom.* “In climates with a great deal of freedom people are given autonomy to define much of their own work” (Mathisen & Einarsen, 2004, p. 122). “The individual can set his/her own pace. There is a personal freedom to schedule and manage the day-to-day activities. The individual is motivated to ‘take the ball and run with it’ (Fox & Fox, 2004, p. 42). The financial service organizations that are more creative, allow their employees to do this. They will

give them guidance along the way, but will allow them the freedom to be as successful as they want. Some organizations give their employees very little freedom. They will tell them what to do, how long to do it and what to do next. These companies are usually the same ones that have their advisors make “cold-calls” to find clients because they don’t let their employees come up with creative and more efficient ways to find new clients.

*Idea Support* is being supportive of new and innovative ideas. It is important that there is a safe environment that encourages and supports new ideas. An environment where employees are free to share their ideas and know that they, or their idea will not be judged. One financial advisor might have found a great new way to find clients, but if he or she is not comfortable sharing that idea, that could be a huge missed opportunity that could have made a lot of people in the office, a lot of money.

*Idea Time* is allocating a time when employees can share these ideas. If there is not a time set aside, employees may never share their new ideas. If this time is set up with others in the office, it gives other people the opportunity to discuss and refine new ideas. “In the high idea-time situation, possibilities exist to discuss and test impulses and fresh suggestions that are not planned or included in the task assignment” (Ekvall, 1996, p. 108).

A creative management team will allow and even encourage their financial advisors to take *Risks (Risk Taking)*.

In the high risk-taking case, bold innovatives can be taken even when the outcomes are unknown. People feel as though they can 'take a gamble' on their ideas. People will often 'go out on a limb' to put an idea forward. In a risk avoiding climate, there is a cautious, hesitant mentality. People try to be on the 'safe side' and often 'sleep on the matter (Isaksen et al., 2000-2001, p. 175).

Those who take calculated risks in this industry will usually succeed. Not every new idea will work, but if a financial advisor will take risks and move away from the norm of what everybody else is doing, they will most likely find something that works and that will make them successful. If they don't take that risk and try something new, they may never make it big in this business. By not taking risks an advisor may survive in the industry, but will never be at the top of their profession.

If a financial services company is looking to create a group of advisors that are creative, they need to give their advisors freedom to come up with and implement new ideas. They need to allow their advisors to take risks on some of those ideas. Not every idea is going to work, but if you don't take the risk to at least try it, you will never know. Advisors need to be challenged. If you make it easy for them they are not going to be motivated to do their best. An advisor who is challenged will be creative in finding new ways to meet those challenges. It is important that management puts time aside for ideas. When a specific time is set aside, advisors can get together and brainstorm new ideas and ways to implement those ideas. Finally, it is very important that management supports

those ideas. If employees don't feel as though their ideas are being supported, they will stop giving them.

If an organization, in this case in the financial services industry, feels as though they are not being creative enough or that they do not have a creative climate, the CCQ is a measure they might have their advisors take so they could find out exactly where they are lacking and what they need to work on so that they can create an environment that allows their employees to be more creative.

## **Surveys**

Survey questions (Appendix A) were taken and adapted from McCarty, 2006. The surveys were adapted because McCarty was focusing on organizational creativity, where-as this paper focuses on creative climate. Surveys were handed out to nine financial advisors at ABC Group (Fictitious name). The surveys were handed out on a Monday and asked to have them finished by Friday. The purpose of the survey was to look at the creative climate inside the office of a leading financial services group. The nine surveys handed out consisted of half of the financial advisors working for ABC Group. The nine advisors chosen for the survey had a wide range of experience in the field. The range of experience was as little as just four months to as long as 38 years in the industry. Of the people surveyed, the one with the longest tenure has been at ABC Group for 17 years. This gentleman is also the son of the owner and founder of ABC Group and will soon take over when his father decides to step

down. The average experience of those surveyed have been in the financial services industry for 15 years and an average of seven years at ABC Group. The survey consisted of three questions about experience, nine questions asking about creative climate, two questions about their success in the industry, three questions about their team/co-workers, six questions about job satisfaction and there were three questions for those who have worked at different companies and how they compared to working for ABC Group.

- When asked how they use Creativity when working with their clients, most advisors said that they need to be creative when coming up with financial plans for their clients.
- Those surveyed identified two main barriers to creativity. The first was that clients are not always open to creative ideas with their money. The second barrier was that clients were not always open to changing things that have worked well for them in the past, although there may be ideas that would work better.
- Three of the nine surveyed had a good definition for creative climate, which would lead me to believe that the majority don't know what a creative climate is or looks like.
- Most everybody surveyed felt as though their company supported and even encouraged them in thinking out-of-the-box and being more creative.

- A couple of people identified compliance issues as reasons why they can't be as creative as they want to, while those who have worked for different employers said that compliance is not as bad as it is in other companies.
- There was a very wide range of why ABC Group was more creative than their competitors. Some of these responses talked about the leadership and dedication to success, less compliance issues and the technology available at ABC Group.
- Nobody said they were strictly extrinsically motivated. Everyone surveyed were either intrinsically motivated or both intrinsically and extrinsically motivated. Those who said they were somewhat extrinsically motivated were motivated by the income they were receiving. Everyone said they were intrinsically motivated by being in a position to help and serve people and their families.
- Everybody thought there was good communication in the office and most people shared the same vision of helping others.
- Most people, but not all, felt as though they could bring new ideas to their team/co-workers.
- Everyone surveyed enjoys their job.
- Most suggested that the best part of their job is being able to serve others, their families and the ability to make a difference in the lives of their clients. Two people also talked about the freedom they have in their job.
- When asked about the worst part of their jobs, one person talked about the long days they put in, while everyone else talked about rejection; when

a potential client decides not to move forward with something that the advisor knows would dramatically help them and their families.

- Everyone surveyed felt as though they had freedom in their job, it was intellectually stimulating and they felt they would be in the same role five years from now.

I was not surprised by most of the answers given in the surveys. For the most part, I expected most of the answers that I received. I was a bit surprised about the knowledge of some and the lack of knowledge about creativity from others. For the most part, the younger advisors really surprised me with their knowledge of creativity while some of the older advisors had some answers that made me think they don't even know what being creative actually means.

The results of the survey were not ambiguous and suggest that ABC Group is way ahead of the curve in terms of creativity when compared to the rest of the financial services industry. ABC Group allows, and even encourages their advisors to think outside-the-box. Like the rest of the industry, they have to worry about compliance, but compliance does not regulate them so harshly that they can't still be creative and try new things. One person surveyed said that ABC Group is more creative because they have a good number of younger advisors. These younger advisors are going to come in with new and innovative ways of doing things.

Due to some of the answers that I received, there seemed to be a lack of clarity and understanding in some of the questions. Therefore, if I were to do this

survey again, the only thing that I would change is that I would personally sit down with each person. This would allow me to clarify anything not completely understood so they understand exactly what I am trying to ask.

## **Conclusion**

The majority of financial service companies have been void of creativity for some time. While other industries such as manufacturing, sales and even corporate America have benefited from integrating creativity into their business, the financial services industry, for the most part has continued to rely on what has brought them success in the past. Too many financial advisors are still cold-calling and using other ancient methods to find new clients. Many advisors are using the same methods when meeting with their clients that they used when they first broke into the industry 20 years ago. These are some of the reasons why the national retention rate of a financial advisor is only 13 percent.

This project has identified the creative climates and barriers to creativity that prevent financial service companies from being creative. It has also identified ways in which a company can use creativity to help their advisors become more creative and thus more successful. In order for a company in this industry to be on the creative edge, here are some guidelines they are going to want to look at. First, it is very important that leadership is on board. Without management seeing the importance and benefits of having a creative environment, it will never happen. Once a creative environment is established, advisors will naturally

become more creative. In developing a creative climate, many of the barriers that hinder creativity will work their way out of the office. In order to set up a creative climate it is important that leadership sets up an environment that supports freedom, challenge, risk taking, idea time and idea support.

If a financial services company is looking to create a group of advisors that are creative they should start by looking at five of Ekvall's 10 dimensions of a creative climate. These dimensions are *challenge, freedom, risk taking, idea time and idea support*. Advisors need to be *challenged*. When leadership makes it easy for them they are not going to be motivated to do their best. An advisor who is challenged will be creative in finding new ways to meet those challenges. When an advisor has an emotional stake in the organization then leadership will usually find them to be intrinsically motivated. An intrinsically motivated advisor is focused on their client's wants and needs and not on the pay check that they could possibly get from them. When they are intrinsically motivated they are going to feel better about themselves, last longer in the industry and ultimately be more successful. Leadership needs to give advisors the *freedom* to come up with new ideas, implement those ideas and take *risks* instead of micromanaging and laying out all the methodologies to achieve the objective. When given this freedom to be creative and take risks, some advisors will embrace the opportunity and use it to propel themselves to the top of their industry. However, if this freedom and ability to take risks are taken away from an advisor, not only will they be less motivated to work but the leadership might be missing out on ideas that could change the company and prevent them and the advisors from

being more successful. It is important to note that not every idea is going to work, but if they don't take the risk to at least try it, they will never know. So that advisors can come up with these ideas it is important that management gives advisors *idea time* and *idea support*. When a specific time is set aside, advisors can get together and brainstorm new ideas and ways to implement those ideas successfully. It is also important that management supports those ideas. If employees don't feel as though their ideas are being supported, they will stop giving them.

While researching and writing this paper I have found a couple of things that need more research and work done to help make the financial services industry become more creative. The first thing that needs more research is helping financial advisors find more leads. Most financial advisors are paid solely by commissions. This is why it is very important that they are always finding new leads and new referrals. When an advisor keeps finding new business it means that they will keep getting paid. Using certain creativity tools, advisors should be able to find new and innovative ways in coming up with ways to find new clients. Another thing that that needs to be researched and looked at is the ways that advisors are working with their clients. Many of the strategies and processes advisors use when working with their clients are ancient. They are doing the same things with their clients they did 20 years ago. Using tools of creativity, advisors should be able to find new ways to lead their clients through the financial process. An example of this would be Creative Problem Solving. This

model can be tweaked so that an advisor can go through an entire financial process with their clients using the Creative Problem Solving process.

Using creativity in the financial services industry is almost untapped. There has been very little research or writing on using creativity in the financial services industry. For an industry that seems to be stale and desperate for creativity, much more thought, writing and research needs to be focused on what creativity can do to change this industry.

### **Personal Learning Goals**

The three things that guided me through this project were:

- 1) My strong desire to succeed in my new career as a financial advisor. I knew that the things that I have learned throughout my time in the Creative Studies department could be applied to any career of my choosing. When I recently began a new career as a financial advisor I wanted to find ways that I could apply the things that I have learned in this program to help me become successful in my new career as a financial advisor.
- 2) Making sure that I applied what I have learned in my masters program to whatever career I end up in. Throughout my time in the Creative Studies program I was always worried that I would graduate with my master's degree and end up not applying it. Doing this project has allowed me to set up a plan of how I can

have a successful career as a financial advisor using the things that I have learned during my masters program.

3) The need of creativity in the Financial Services Industry.

Although the company that I am working for seems to have a much more creative climate then most other companies in the industry, there are still many things that I can apply to my job to help me and others succeed from what I have leaned throughout my time in the Creative Studies program.

### **Benchmarks for personal success**

- I will know this project is successful if I am able to apply the things that I have learned throughout this project to help me to become successful as a financial advisor.
- If I am able to apply this to my practice, I know that I will be more successful.
- If I can help the company that I work for apply some of these tools, the company will also be more successful.
- If I am still employed after one year. The national retention rate in this industry is only 13%. The reason this rate is so low is because it is very difficult to get started in this industry. I know that if I am still employed after one year that I was successfully able to apply what I learned while doing this project.

- If I am still employed after three years. Most people say that the first three years are incredibly tough. If I can make it through the first three years, I will most likely be successful in this industry because by that time I will have a good client base and people will start coming to me instead of me having to work incredibly hard to find new prospects.
- If the company that I work for becomes more creative. I will know this project is successful if I am able to show my management team ways to develop a climate that is more conducive to creativity. Although they are much more open to creativity than the majority of the industry, there is still room for improvement.

## **Evaluation**

I started this project with a huge list of ideas, theories, projects, tests and authors that I wanted to use in my paper. Although I was told that this project would probably take on a “mind of its own” and get a lot bigger than I expected it to be, I didn’t believe it. My goal when I started was to get as much information as I could so that I would not run out of material to write about. As I started this project I quickly realized that I was not going to be able to use all of the resources that I had originally intended to use. I actually used less than one-fourth of the ideas that I had originally intended to be a part of my project. While planning for the project I wanted to briefly touch on creative climate, but as I started writing, everything was leading to climate issues as being the focus of the paper.

When I started writing this paper I felt overwhelmed, I didn't think I would ever get to this point where I would be writing the evaluation. Now that I am done, I am very happy with the direction that this paper took me. After writing this paper, I have a different perspective of my new career as a financial advisor. Taking the time to write this paper early in my career as a financial advisor has allowed me to focus on how I can use creativity to help me become a successful financial advisor.

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Appendix A:

Survey

*Interview Questions*

*Creativity in the Financial Services Industry*

Part I: Introduction

What is your title/role with the company?

How long have you been with the company?

How long have you been in the industry?

Part II: Views on Creativity in the Office/Industry

What are some examples of how you use creativity in your workplace and with your clients?

Where is the greatest opportunity for creativity?

What are the greatest perceived “barriers” to creativity? (What stops you from being creative?)

(Adapted from McCarty 2006)

Do you think that these obstacles to creativity are something that can be overcome?  
Why or why not?

What do you think Creative Climate means?

Does your company support you in thinking “outside of the box”?

How well does your company support you in your efforts to be more creative and how do they do it?

How do compliance issues hold you back from being creative in your job or with customers?

(Adapted from McCarty 2006)

What makes this company more or less creative than your competitors?

Are you intrinsically or extrinsically motivated and why?

What are the top reasons that you have been successful in this industry?

Does your team/co-workers share a common vision or goal?

Is there good communication amongst you and your co-workers?

Can you take new ideas to your team/co-workers and know that they will be heard and acted upon?

(Adapted from McCarty 2006)

### Part III: Job Satisfaction

Do you enjoy your job?

What is the best part?

What is the worst part?

Do you have autonomy (freedom) in your job?

Do you find your job to be intellectually stimulating?

Do you see yourself in this same role five years from now?

(Adapted from McCarty 2006)

(This next 3 questions are only for those who have had been employed in the financial services industry by another company besides the one in which you are currently employed)

Part V: Creativity in the industry

How does the company you are working for compare to past employers in terms of allowing you to be creative? Please explain.

How does the company you are working for compare to past employers in terms of having a more creative environment to work in? Please explain.

How does the creativeness of your current colleagues compare to that of the people you have worked with in the past? What do you think is the reason why?

(Adapted from McCarty 2006)