

Study uncovers communication strategies couples can use to address financial uncertainty

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Money can be a significant source of conflict in relationships, particularly during stressful times. New research from North Carolina State University details techniques romantic couples can use to address financial uncertainty, highlighting the importance of communication in managing uncertainty and reducing stress.

"Regardless of income level, I found that couples are uncertain about money—whether that's how to put food on the table or whether to sell a second home," says Lynsey Romo, an assistant professor of communication at NC State. "During tough financial times, communication can help people cope."

In the wake of the recession, Romo interviewed 40 individuals, each of whom was either married or cohabitating. The interviews uncovered three general strategies for dealing with uncertainty: reducing uncertainty, maintaining uncertainty, or adapting to it.

Reducing uncertainty was the most common approach, used by those who viewed uncertainty as a negative. This approach was implemented in several ways.

People who wanted to reduce uncertainty would often: seek out information from sources like financial advisors and news outlets; talk about financial topics with family and acquaintances; and draw on their

own experiences to try to better understand their financial circumstances and determine how to move forward.

Those trying to reduce uncertainty about their partner's [financial practices](#) also used "strategic communication" techniques with their significant other. Strategic communication involved tailoring talk about spending and [financial planning](#) to their partner's needs in order to minimize conflict. For example, some found that taking a coldly logical approach was most effective for their spouse, laying out budgets and numbers. But others found it most effective to appeal to a partner's emotions, such as by pointing out that an expensive purchase would mean they would have less money to spend on their children. Taking the time to figure out how to talk - and manage conflict - in a way that resonated with one's spouse was critical.

A major uncertainty reduction technique was the use of communal coping, in which the couple viewed uncertainty as both of their problems and something they needed to address as a team. For example, the couple would jointly develop a financial plan, set priorities, goals, and rules, and make spending decisions together. This kept any one partner from bearing the brunt of the stress or being overwhelmed.

Not all participants wanted to reduce uncertainty. Some sought to maintain uncertainty by avoiding information. They preferred uncertainty to acknowledging their dire financial situation.

Other participants adapted to uncertainty. These individuals came to terms with uncertainty by turning to religion and focusing on daily tasks rather than planning for the future. For example, one interviewee reported that, when she lost her job, "the first thing we said [was], 'Okay, God didn't want me there for some reason.'"

As much as some participants wanted to manage uncertainty, they were

not always successful. Romo's research also identified four barriers to successfully managing uncertainty:

- Information barriers: either too much information (which was overwhelming) or not enough (inadequate to address an individual's concerns, largely stemming from lack of financial socialization as children);
- Communication barriers: poor communication between partners, making it difficult or impossible for them to talk about money;
- Time management barriers: individuals didn't have time to do the research or planning needed to address their financial concerns;
- Sociocultural barriers: individuals' background or culture conflicted with making responsible financial decisions.

"The biggest takeaway here is that there are things people can do to help deal with financial uncertainty," Romo says. "Seeking out information, talking about money with your partner, working as a team, and becoming financially literate can reduce uncertainty - and the related stress that uncertainty can cause in a relationship.

"This study suggests that America's money taboo needs to be dismantled. People who never learned about money while growing up often didn't know how to communicate about it with their romantic partner. These couples were less financially and relationally strong. Financial talk is good for couples' pocket books and relationships."

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