



# Financial Coaching Newsletter

A Publication of the University of Wisconsin-Madison Center for Financial Security

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## Ways to get involved:

- Visit the Center for Financial Security's Financial Coaching Website (<http://fyi.uwex.edu/financialcoaching>)
- Share this newsletter with your friends and colleagues
- **Provide feedback** on what you would like to see in future newsletters and on our financial coaching website
- If you are not yet on our financial coaching email list, [sign up here](#).

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## Welcome to the First Issue of the Financial Coaching Newsletter

Collin O'Rourke, Center for Financial Security

Welcome to the first issue of the **Financial Coaching Newsletter!** Over the past three years the University of Wisconsin-Madison Center for Financial Security has worked with organizations across the country to compile a list of individuals like yourself who are involved in financial coaching. This newsletter is designed to highlight useful information for financial coaches, showcase outstanding individuals and organizations involved in coaching, and, most importantly, help build a network of financial coaches from across the country.

The Center for Financial Security also hosts a [financial coaching website](#). Please visit this website frequently—we will continually update it with new information about financial coaching. The coaching website features a section for comments and discussion. Stay tuned for the launch of a redesigned financial coaching website within the next

month. We hope that all of these resources will allow financial coaches from across the country to exchange ideas and learn from one another.

We invite your feedback on all of our financial coaching resources. Are there events, resources, or even coaching tips that other financial coaches should know about? We are especially interested in learning about what you would like to see in future issues of this newsletter. Please send your feedback to me at [cmorourke@wisc.edu](mailto:cmorourke@wisc.edu). We will also send out a survey within the next week asking for your feedback on this newsletter. We want to make the newsletter as useful as possible, and to do so we need your feedback.

Finally, I would like to acknowledge the Annie E. Casey Foundation's longstanding support for the Center for Financial Security's work on



Collin O'Rourke  
Center for Financial Security

financial coaching. The Casey Foundation's support for financial coaching is one of the driving forces behind the field's growth over the past several years. I would also like to thank those individuals who contributed to putting this newsletter together.

Again, we invite your feedback, and please share this newsletter with others!

Sincerely,  
Collin O'Rourke

## Recent Developments in the Credentialing of Financial Coaches

Collin O'Rourke, Center for Financial Security

Many financial coaches are interested in becoming credentialed, yet their options for doing so appear rather limited.

On the one hand, existing coaching credentials (for example, the International Coaching Federation's credentials) do not focus on *financial* coaching. Thus, the training requirements for these certifications may not prove particularly relevant for those interested specifically in financial coaching. In addition, obtaining and then maintaining these credentials is often expensive. These costs can prove particularly challenging to financial coaches, who generally work with lower-income populations in nonprofit settings.

Despite these limitations, general coaching credentials remain appealing for financial coaches. After all, a good financial coach is above all a good coach—somebody who is skilled in the techniques of coaching—rather than an expert on financial matters.

On the other hand, existing credentials in the asset building field for financial educators and counselors are of little relevance to financial coaches. Although such a credential can signal familiarity with issues that will likely arise during financial coaching, the skills used by educators and counselors differ significantly from those used by coaches. In some cases, these skills, such as financial

counselors' focus on providing direct advice, are contrary to the aims of financial coaching.

In the next few years, a credential specific to *financial coaching* is likely to emerge, but for the time being financial coaches may want to consider a more general certification. Importantly, coaches with a counseling or social work background who have completed one of Ann Lyn Hall's 30-hour trainings (see page 2) are eligible to become a Board Certified Coach if they apply by December 31, 2011 (see <http://cce-global.org/bcc>). Look for future information on financial coaching credentials in future coaching newsletters. 🍎

## Financial Coaching Spotlight: Ann Lyn Hall of the Central New Mexico Community College

Collin O'Rourke, Center for Financial Security



Ann Lyn Hall  
Central New Mexico Community  
College

**“Coaching gives families the ability to identify their own outcomes and goals.”  
Ann Lyn Hall**

Many readers are undoubtedly already familiar with Ann Lyn Hall, who is a leading financial coaching trainer. Ann Lyn works for the Central New Mexico Community College (CNM) in Albuquerque. She travels extensively across the country to train financial coaches. In 2011, CNM is scheduled to complete trainings in 19 U.S. cities, including one train-the-trainer workshop. Each training takes five days, likely making CNM's trainings the most in-depth financial coaching trainings available.

Ann Lyn started at CNM in 2002 as an Achievement Coach. CNM Achievement Coaches support student achievement and retention. Achievement Coaches were not directly focused on students' financial management skills and behavior, but Ann Lyn quickly realized that financial matters were often at the heart of students' struggles. Over the next several years, CNM worked with the Annie E. Casey Foundation to provide coaching trainings and further professional development opportunities to CNM Achievement Coaches.

Building on this work, in 2008 the Annie E. Casey Foundation

asked CNM to develop a financial coaching training curriculum. Developing this curriculum required collaboration across three groups: 1) Master Certified Coaches, 2) Certified Financial Planners, and 3) members of the CNM community who had experience and expertise in working with lower-income households. The resulting curriculum serves as the foundation of CNM's financial coaching trainings.

Ann Lyn offers several reasons why she finds the coaching model so appealing for working with individuals on financial matters. Coming from a counseling background, which tends to see individuals and families as “broken,” Ann Lyn explains that she was attracted to coaching's commitment to treating individuals as “creative, resourceful, and whole.” Whereas case workers in social service settings often diagnosis problems and provide advice, Ann Lyn explains that “coaching gives families the ability to identify their own outcomes and goals.” She also cites coaching's commitment to supporting clients and holding them accountable as they strive to reach their goals as key parts of the model's appeal.

Ann Lyn's role as a coaching trainer gives her a unique perspective for observing some of the challenges to becoming an effective coach. She observes that for many individuals, “letting go of needing to give advice can be difficult.” In addition, she reflects that coaches' beliefs can sometimes get in their way of serving families. For example, she explains that a coach who has a pessimistic outlook about his or her ability to retire may be inadvertently influenced by these beliefs when working with clients.

When thinking about the future of financial coaching, Ann Lyn emphasizes two points. First, CNM is looking into the possibility of offering online financial coaching trainings, which could dramatically increase the scope of CNM's trainings. Second, CNM is exploring possible ways for coaches to become credentialed. Individuals with a counseling or social work background who have completed CNM's five-day financial coaching trainings can apply to become a Board Certified Coach (<http://cce-global.org/BCC>) if they do so before December 31, 2011. Please look for more about CNM in future newsletters. 🍎

## Reviews You Can Use I: *Coaching for Performance*

Peggy Olive, University of Wisconsin-Extension

Coming from a financial education background, I was hooked by Whitmore's observation early in this book that it “may be harder to give up instructing than it is to learn to coach.” Observations and other gems sprinkled throughout the book challenge readers to closely examine their beliefs about coaching and creating an environment conducive to behavior change.

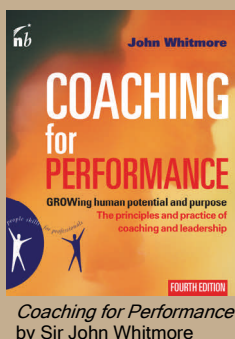
According to Whitmore, “coaching provides proactive, focused thought, attention, and observation” with the purpose of creating awareness and

responsibility by asking questions rather than providing advice. The author considers powerful questions within the framework of the GROW model: **G**oal setting for the session and in the short- and long-term; **R**eality checking to explore the client's current situation; **O**ptions and alternative courses of action; and **W**hat is to be done, **W**hen, by **W**hom, and the **W**ill to change.

Whitmore dissects these steps within the GROW model, examining strategies and experiences throughout the coaching process. For example, he encourages setting goals

before reality checking since too often goals based on current reality may be limited by negative experiences and past performance. The author reminds us that the “greatest barrier is to give up what you have done before.” And isn't coaching about helping clients create a new behavioral paradigm?

Although *Coaching for Performance* has a strong emphasis on leadership and relationships in the workplace, this book also provides a thoughtful framework and foundational skills that encourage coaches to reflect on their personal beliefs and practices. 🍎



*Coaching for Performance*  
by Sir John Whitmore

## Enhancing Clients' Goal Attainment through Simple and Low-cost Technologies

J. Michael Collins, Center for Financial Security

A variety of innovative online and mobile technologies have emerged that appear promising for supporting financial coaching clients' efforts to change their behavior and attain their self-defined goals. These tools may be particularly useful for enhancing clients' progress in between their meetings with a financial coach. The most promising technologies send clients reminders about their goals through text or email, allow clients to set goals on the web, and help clients track their progress over time. Although these technologies can by no means serve as substitutes for the coach-client relationship, coaches may want to consider incorporating some of them into their work with clients.

**Reminders:** Individuals can now set up low cost text and email alerts, which can help them stay the course toward their financial goals. Several studies show that reminders about savings goals or debt repayment can help people improve their financial behaviors. For example, "[Getting to the Top of Mind: How Reminders Increase Saving](#)" by Karlan, McConnell, Mullainathan, & Zinman (2011)

found that new savings account holders who were randomly assigned to receive reminders deposited more into their accounts. [Abby King of Stanford University](#) has published multiple studies showing that reminders can enhance health behaviors. By collecting emails, text messaging or telephone information from participants along with specific goals to be completed by certain dates, coaches can use these tools to follow-up, check-in, and remind clients about their previous commitments. Examples include [Ohdontforget \(ohdontforget.com\)](#) and [One penny per message \(textmessageapi.com\)](#).

**Online Goal Setting:** A number of websites allow individuals to work independently to set and achieve financial goals. However, finding, setting up, and learning to use these sites can sometimes prove challenging. If coaches decide to incorporate online goal setting into their work with clients, they may want to devote part of their coaching sessions to helping users become familiar with the site and describing how the site may be useful for working on

financial goals. Many of these sites utilize email or text reminders, and a growing number incorporate social media. In this way, clients' goals are broadcast to their network of online friends, thereby increasing the likelihood that they will stick to their goals. Examples include [Sticck \(sticck.com\)](#), [HelloWallet \(hellowallet.com\)](#), [Smarty Pig \(smartypig.com\)](#), and [Piggy Mojo \(piggymojo.com\)](#).

**Tracking Information:** More and more financial institutions have made all account data paperless. As a result, people can track their accounts more readily, which may prove useful in day-to-day financial management. A number of sites aggregate personalized data while offering advice and analysis. For instance, [HelloWallet \(hellowallet.com\)](#) can be configured to automatically compile account information from all of a user's financial institutions into one place. Again, users may need help understanding the features of these sites and how they might use them.

Please let us know how you have incorporated simple and low-cost technologies into financial coaching by emailing [cmourourke@wisc.edu](mailto:cmourourke@wisc.edu).



J. Michael Collins  
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## Reviews You Can Use II: *Handbook of Coaching Psychology*

Collin O'Rourke, Center for Financial Security

Palmer and Whybrow's *Handbook of Coaching Psychology* (2007) is an excellent resource for financial coaches interested in a more general look at coaching. The book is comprised of 22 chapters, each of which is written by leaders in the field of coaching. Each of the chapters stands on its own, so readers can easily bounce around and read the content they find most valuable. Some of the chapters are tangential to the practice of financial coaching, but these chapters can be skimmed or skipped without taking away from the value of the rest of the book.

The opening chapters introduce coaching and describe its

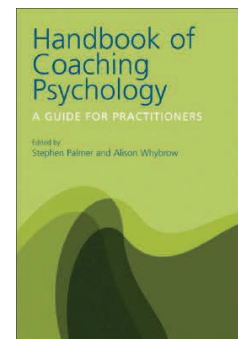
development. One chapter is bluntly titled, "Research: does coaching work?" Echoing a common refrain among researchers across all fields, the authors essentially conclude that more research is needed. Coaching is such a new field that such a conclusion is not too surprising.

The book then transitions to psychological approaches to coaching, and this is where the book becomes technical and therefore often challenging to read. However, a few chapters, particularly "Behavioural coaching," remain insightful for financial coaches. Many of these chapters, however, appear better

suited for individuals with advanced training in psychology.

The latter chapters of the book explore the coach-client relationship, how coaching and counseling relate to one another, and how to integrate and sustain coaching within organizations. The book concludes with a list of professional bodies, journals, and university-based centers engaged in work on coaching. These lists are particularly valuable for exploring coaching resources on the web.

Overall, the *Handbook of Coaching Psychology* manages to cover a lot of ground, and readers can focus on the content most interesting to them without getting bogged down in some of the more technical pieces.



*Handbook of Coaching Psychology*  
by Palmer and Whybrow

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The University of Wisconsin-Madison Center for Financial Security (CFS) is a cross-campus, interdisciplinary center focusing on applied research that promotes individual and family financial security. The CFS focuses on households, consumers, and personal financial decision making, and its affiliates work collaboratively across centers, institutes, and schools throughout the US. The Annie E. Casey Foundation generously supports the Center's work on financial coaching. This work includes conducting applied research, training new coaches, and promoting coaching in Wisconsin and across the US. Please visit the websites listed below to learn more about the CFS and its work on financial coaching.

Visit us on the web at  
[fyi.uwex.edu/financialcoaching](http://fyi.uwex.edu/financialcoaching) &  
[cfs.wisc.edu](http://cfs.wisc.edu)

## Coaching in Other Contexts: Coaching College Students

Collin O'Rourke, Center for Financial Security

Because financial coaching is such a new field, it is useful to explore how coaching models have been applied in other contexts. Research on coaching's effectiveness—particularly research that looks at “what works”—is especially valuable. Ideally, insights drawn from other types of coaching interventions can inform financial coaching.

Have you read or heard something recently about a unique form of coaching that you would like to share with others? If so, please contact us at [cmorourke@wisc.edu](mailto:cmorourke@wisc.edu) so we can feature the story on our financial coaching website or in a future newsletter.

A recent study by Eric Bettinger and Rachel Baker<sup>1</sup> analyzes whether student coaching delivered by a private coaching agency increases college students' persistence (i.e. their continued enrollment over time) and degree completion. The study is notable because it uses a randomized design—the

gold standard in research—and tracks a remarkable 13,555 college students over time. This is the largest scale randomized study of coaching we know of in any context.

Importantly, the authors explain that one of the reasons students do not succeed in college is because they “fail to act on the information they have.” This observation parallels one the motivations behind financial coaching, namely that learning new information is often insufficient for lasting behavior change.

In this study, coaches worked with students over two semesters to refine students' goals, connect their daily activities to their longer-term aspirations, and develop new skills. Coaches focused on helping students identify barriers and develop strategies for success. The coaches' work with students extended beyond academics. For instance, many coaches worked with students on financial issues, since


students' lives outside of school are so central to their academic success.

In terms of outreach, coaches recruited students via phone, email, text messages, and social networking sites. Students could decide whether or not to participate when a coach contacted them. Once a student agreed to participate, the coach called the student on a regular basis.

The results of this intervention on students' persistence and degree completion are highly encouraging. *Being assigned to a coach* is associated with a 9 percent increase in retention after six months and a 12 percent increase after one year. After one year, coaches ceased working with students. Nevertheless, coaching was still associated with positive effects well after the coaching intervention concluded. Coaching was associated with a 15 percent increase in retention after 18 months and a 14 percent increase after 24

months—these results are again encouraging because they indicate the effects of coaching continue well beyond the end of the coaching relationship. Coaching was also associated with an increase in degree completion.

The authors conclude that coaching has large effects relative to other types of interventions including student loans. Coaching also proved far less costly than other common interventions.

Overall, this study provides strong evidence of the coaching model's effectiveness. However, the authors note that their findings do not shed light on which types of coaching skills are most effective, or what characteristics make people better coaches. Exploring these questions is thus left to future research. 

<sup>1</sup> Bettinger, Eric and Baker, Rachel, The Effects of Student Coaching in College: An Evaluation of a Randomized Experiment in Student Mentoring (March 1, 2011). NBER Working Paper Series. Available at SSRN: <http://ssrn.com/abstract=1783388>.