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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 coaching colleagues.
- **Tell us** 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](#) and be sure to click "Coaching Newsletter."

Have an idea? Let us know!

Hallie Lienhardt, Center for Financial Security

Welcome to the Center for Financial Security's *Financial Coaching Newsletter*. Thank you to those who contributed your time, ideas, and

writing to this issue. The newsletter benefits from the input of readers and we invite your ideas and participation in the process of

creating our next issue. Please send your comments and suggestions to:

fincoaching@mail.sohc.wisc.edu.

The Financial Clinic's Change Machine

Becky Smith, Director of Strategic Initiatives at The Financial Clinic

According to the U.S. Bureau of Labor Statistics, there are 1.8 million individuals that work in social and human service fields, such as drug counselors, domestic violence case workers, job coaches, and social workers. Their goals are often challenged by a shared barrier — that customers seeking their services face pervasive financial insecurity.

The Financial Clinic (the Clinic) in New York City has developed an online platform for professionals to address customers' financial insecurity issues within the context of their specific service delivery models: Change Machine (www.change-machine.org).

Change Machine provides a single platform for professionals to engage in financial development work anchored in a core set of outcomes and a wealth of information and resources about all aspects of financial security derived from more than seven years of the Clinic's field-testing.

Organizations that partner — often through a grant or fee-for-service — with the Clinic to utilize Change Machine receive support to incorporate financial development strategies into their programs in three critical ways:

1. The **Learn** section on Change Machine contains more than 50 comprehensive tools to ensure practitioners have a consistent, reliable set of resources to encourage customers to achieve their goals, in addition to select specialized content to address the unique needs of the customers they serve.
2. The **Coach** section on Change Machine provides a framework for frontline staff to motivate customers to improve their financial security using dynamic tools that efficiently structure sessions resulting in real-time data that measure progress.
3. The **Share** section on Change Machine invites professionals, researchers, and thought leaders to join a conversation about financial security by asking difficult questions as well as exchanging experiences and innovative ideas with fellow practitioners across the country.

Change Machine also provides a set of tools for managers to track customer engagements including customer assessments, milestones, and outcomes, cap-

turing data points that measure individual success as well as broader trends across demographics, neighborhoods, and programs.

Change Machine's big data capabilities will make it a reliable academic, government, and financial industry reference for identifying emerging issues and developing best practices.

There are currently 139 Change Machine members from 7 States including California, Michigan, New York, and Texas participating in the beta phase of Change Machine as the Clinic prepares for a public launch this summer. The Change Machine beta testers comprise of experts from the domestic violence, re-entry, workforce, education, and homelessness prevention fields as well as consumer law attorneys and senior financial coaches.

To learn more about how your organization can improve its outcomes with Change Machine and explore licensing packages best aligned with your goals, please contact Becky Smith at rsmith@thefinancialclinic.org.

About the Clinic: Since 2005, the Clinic (www.thefinancialclinic.org) has demonstrated how financial development can be seamlessly embedded into a broad array of social, economic, and other supports, offering substantial, meaningful, and lasting results. Through training and technical assistance, the Clinic has supported over 1,500 practitioners from more than 250 organizations throughout New York City and nationwide to make financial development part of the culture of social service delivery—resulting in accelerated outcomes for integration partners leading to “faster, better, cheaper” services. The Clinic's financial coach training model was recently highlighted in a Consumer Financial Protection Bureau White Paper. The Clinic was also one of four nonprofits chosen to participate in the Center for Financial Security's *Financial Coaching Outcome Measures Project* to test a set of standardized measures for the financial coaching field; and is currently one of two organizations selected by The Urban Institute and the Consumer Financial Protection Bureau to conduct a random controlled trial on its financial education and coaching program.

Margaret Moore

Founder of Wellcoaches Corp., Co-founder and Co-director of the Institute of Coaching, Co-founder and Co-leader of the National Consortium for Credentialing Health and Wellness Coaches

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**The CFPB on
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An Interview with Margaret Moore

Hallie Lienhardt, Center for Financial Security

What inspired you to make the shift from the biotech industry to health and wellness coaching?

In my biotechnology career I was in a research and development mode, looking for ways to prevent or treat disease. I was constantly scanning the waterfront asking: What do people need? I was personally very active in my own self-care and wellness, but everyone around me, including all of these really smart people in biotech, were just not engaged in their own self-care. I saw this huge need even before any of the data from the CDC came out showing that 70% of our healthcare costs are related to conditions that can be prevented.

So, I reached a turning point and basically hit the reset button on my whole professional life. I decided that we needed a professional in the health and wellness field that knew how to help people change and take better care of themselves. My sense was that it had to be a holistic approach to the process, because we tend to silo even our wellness needs— a personal trainer for exercise, a dietician for nutrition, etc. I set out with the notion that we needed someone who was really good at helping people change. In my biotech career we organized ourselves through project management. We really needed to bring that project management skill set to our personal lives because we just don't have that structure and accountability.

Those early ideas lead me to found Wellcoaches with the vision of bringing this new professional into the field of health and wellness. I set out to build a curriculum, but at that time the coaching field was largely life coaching and executive coaching with no real scientific foundation. In medicine and healthcare one has to be evidence-based, so I really had to build the curriculum from scratch out of what existed, which was motivational interviewing, the trans-theoretical model, counseling skills, and health behavior change models. In 2002 we opened our school of coaching. Along the way I really felt we needed some academic grounding to translate coaching from science to coaching practice and that lead me to found the Institute of Coaching with Carol Kaufman.

As co-founder and leader of the National Consortium for Credentialing of Health & Wellness Coaches what advice or strategies can you offer to the field of financial coaching?

Well first of all, I actually think there is a big overlap with health and financial wellness because if you think about planning your finances you've also got to plan your health. Now that pensions are disappearing or getting curtailed, financial self-sufficiency becomes critical and you cannot get financial self-sufficiency if you don't have the mental or physical health to make a living. So, I do think the two are entwined and I would love to see some sort of collaboration across the two fields because in order to be a self-sufficient human being you need both to do well.

The way that we are getting at the credentialing in the health and wellness field is through what we are doing in the National Consortium. You have to do a job analysis to examine what skills people are using as coaches in the that domain, figure out what training or education they need to gain those skills, build an exam to test those skills, and then create programs and get them accredited.

Do you find that it takes a certain type of person to be a coach and to use coaching skills?

I think that the "coaching" skill set is very different than the "educating" and "teaching" skill set, because you are really facilitating someone else's change process. That is a transformation of the whole way that you work with people and it takes a few months with really efficient training to transform the way that you interact with people from "telling" to "facilitating". I don't know that there are shortcuts for that. I think that you have to go through some really intense change to be a good coach.

Where do you see the field of Health and Wellness Coaching in the next several years?

We have almost ten thousand health professionals who have done some sort of training in coaching skills. The backgrounds of coaches vary from nurses, social workers, and exercise physiologists to personal trainers, nutritionists, and physical therapists. Where they work is across the spectrum from hospice to diabetes education, from primary care to integrative health. What they do varies from wellness coaches who have dozens of active clients at a time to professionals who do group coaching sessions or peer coach education. The way that coaching is used can be simply that the nurse practitioner or doctor is using some basic coaching skills in the patient visits. It is really about everyone using basic coaching skills whenever they feel ready. By integrating coaching skills you are not changing what they do- it's not a coaching intervention- it's just adding coaching technique to what they do. It is very diverse in terms of background, diverse in terms of where people work, and diverse in terms of what they do and how they do it. So it is a very broad field and so you are going to see it all over in all sorts of ways. I think that financial coaching is a little different, but I could see banks offering financial coaching- that would be a great service. In fact, you could argue that every adult when they turn 21 would need to complete a financial wellness course.

That is the story, it is a long road. It is going to be a thirty year project in terms of this being really baked into the health and wellness field. The first ten or twelve years focused on building a credible foundation of integrity. Now we are moving into the research and wide scale dissemination phase. The third phase is mainstream use of coaching skills across the spectrum. 🍎

The Consumer Financial Protection Bureau on Financial Coaching

By Gail Hillebrand, Associate Director, Consumer Education and Engagement, CFPB
Contributions by Sarah Bainton Kahn and Pam McClelland

I am continually impressed with the power of financial coaches to change lives. I was reminded of that power on a recent trip for a meeting in Delaware where I heard a story about a chef who learned to cook. We thought we knew what to expect.

Then our chef began talking.

In many ways it was the classic story. He felt out of control. He did not know where his money went. He was in debt. He was stressed out and unhappy.

Then he started working with his financial coach.

The coach was available on-site where the chef worked, so it was easy to find time to meet. And they started working on things our chef wanted help with – mostly that meant improving his credit score.

And that's when the chef learned to cook.

He looked at what he was spending to eat out. He looked at what it cost him to buy dinner. Before his coaching, he'd told himself, "I'm a chef. The last thing I want to do after work is cook!"

During the process of financial coaching, the chef saw where his money was going. A big chunk was going to restaurants. The chef made a decision – his decision – that he would start to cook for himself after work and he would use the savings to start to pay down his debt. His coach didn't tell him to make that decision. He made it because he wanted to take control of his money. And he has. His credit score is up. And he's paying down his debt and he is much happier today than he was before he connected with his coach.

The chef's success helps explain why the CFPB is working to create more places where consumers can receive access to free financial coaching services. In our work at the CFPB, coaching is a critical tool to accomplish three big things.

First, we are helping people to take control of their money. Too often money controls people, not the other way around. We are changing that.

Second, we are helping consumers to ask questions and get answers. Consumers who ask questions can help to better protect themselves. What's the total cost of this loan? What happens to this interest rate after the first six months? Is this the best way to spend my money to meet my own goals? Both individual consumers and educators can find many answers to a wide range of consumer questions at our [AskCFPB tool](#).

Third, we are helping people to develop the skills they need to prosper in the financial marketplace. One of those critical skills is comparison shopping for big purchases, such as a car loan, mortgage, or a college education. That kind of skill – comparison shopping – will help consumers throughout their lives.

Our [Paying for College site](#) may help you and your clients navigate one of life's most important and costly decisions – choosing and financing a college education. And now that new mortgage rules are in place to provide consumers more protections, you may want to review CFPB resources on reading mortgage statements, getting information or reporting errors, and

avoiding foreclosure. Those are available at www.consumerfinance.gov/mortgage.

We hope you will find all these tools useful in your own work. You are on the front lines and the consumers we serve need your expertise.

And to help deliver that expertise, the CFPB is launching a major project to expand the reach of financial coaching. In financial coaching, the individual or family and the coach work together. The coach provides advice and encouragement in a process largely driven by the client. Coaching is strengths-based and uses encouragement, accountability, and practice to empower the consumer to change behavior that the individual wants to change, in order to reach the results that the individual wants to achieve.

We have begun by targeting two groups to receive financial coaching services: transitioning veterans and economically vulnerable consumers. Our goal is to provide them the information and tools they need to make better financial decisions, establish their personal goals, and implement strategies to achieve them. Because consumers are setting their own goals, they will be motivated to develop the skills and habits they need to succeed.

As this project unfolds, we will deploy about 90 qualified, trained financial coaches to provide services to these consumers in places where they are already going for services, such as Veterans Affairs (VA) Vet Centers, Department of Labor (DOL) American Job Centers, and other locations and organizations focused on economically vulnerable consumers.

Why are we focusing on veterans? Because we know that veterans may face a predictable, but difficult transition. When they leave the military, they must learn to navigate civilian life and all that comes with it: taxes, retirement plans, insurance, new benefits, and more. The military provides servicemembers with transition planning support before discharge, but this continuing post-discharge support can maximize their chances for success.

Economically vulnerable consumers also will benefit from financial coaching. These include consumers who make less than 200% of the poverty line. They may be unbanked, have thin credit records, or have lost a job or a home. They may be among the hardest consumers to reach – but because they have to make every penny count, they may need and benefit most from in-person, individualized guidance at a trusted, convenient location.

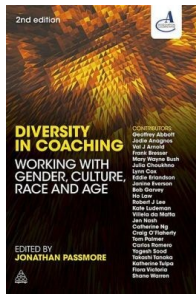
Over the next three years we hope to serve thousands of consumers by providing financial coaching services. Think about those numbers for a moment. While it's impossible for any of us to personally remember thousands of names and faces, it's encouraging to keep in mind the image of people like the chef I heard about in Delaware, who used the help of a financial coach to take control of his finances and is filled with more hope for the future.

To learn more about the Bureau's interest in financial coaching, or to share information about successful efforts you have seen, contact [Sarah Bainton Kahn](#) or [Pam McClelland](#) in our Offices of Financial Empowerment and Servicemember Affairs. 🍌



Review You Can Use: *Diversity in Coaching: Working with Gender, Culture, Race and Age*

Hallie Lienhardt, Center for Financial Security



Coaching has become a global phenomenon that is only increasing in its prevalence across cultures. This book seeks to decipher how diversity impacts coaching and how different strategies and techniques can be implemented to more effectively deliver coaching to diverse populations. Author Jonathan

Passmore, a psychologist, coach, and coaching supervisor, collaborated with more than twenty experts in coaching and psychology from around the world to create this insightful book.

“Traditional coaching and training models are no longer effective if they do not consider diversity as a theme,” Passmore maintains. The authors offer case studies and personal experience to show how migration, globalization, development and growth in mobile communication, are making it more and more crucial for coaches to become well-versed in coaching across cultures, genders, generations, and ethnicities. I believe this book to be an excellent resource and a timely publication for the growing field of coaching.

The book is broken into three sections: the first focuses on places in the world where coaching has already taken hold as a widely used intervention, the second looks at areas where coaching has yet to really be developed and implemented, and the final section is devoted to gender, age, life transitions, and understanding differences.

Strengths and high-points of the book:

1. Helpful, insightful exercises for coaches to use. For instance, “A Reflective Exercise” (26), urges coaches to reflect on the ways that they might unintentionally bring their own cultural, generational, or

religious values and beliefs into their coaching. The exercise is not reproachful or accusatory, but aims to cultivate mindfulness and examination of one’s practices.

2. Very diverse and comprehensive coverage of cultural and ethnic backgrounds, which are applicable to real coaching practice. Coaches may find the case studies helpful to refer to in actual instances when questions or difficult situations arise.

3. The final section of the book is the portion that I found to be the most useful and applicable to real coaching scenarios. Issues of gender, differences in generational attitudes, coaching disabled people, and coaching in the LGBT community are all useful guides for coaches to connect more effectively with their coaching participants.

Weaknesses of the book:

1. Most readers should be prepared to pick and choose chapters and sections of the book that are relevant to their needs. Maybe considered a strength and a weakness depending on one’s perspective; it would be unusual for a typical practicing coach to find the full book to be relevant to their own coaching practice.

2. Geared towards executive coaching. Like many books on coaching currently, the authors do focus mainly on coaching in business. However, I still found the advice and expert knowledge to be applicable to a variety of coaching types, including financial coaching. 🍎