

Financial Coaching: Training Rubric

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Key Components of Financial Coaching Trainings

- Coaching Skills & Practice
- Coaching Theory
- Financial Foundations
- Cultural Responsiveness
- Administration
- Training Logistics
- Continued Support and Learning



Center for
Financial Security



UNIVERSITY OF WISCONSIN-MADISON

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The field of financial coaching has continued to grow over the last decade as an approach for supporting the financial capability of individuals across income levels and diverse populations. The growing demand for trained financial coaches translates into a call for more training opportunities. Yet, differentiating between training programs and choosing the one that best fits practitioner and organizational needs can be difficult. This training rubric shares seven common components of financial coaching trainings and provides insights into the value of each one. This rubric is meant to provide guidance for individuals and organizations interested in comparing and choosing the training opportunities that best suit their needs. Not all high quality training programs cover each of the seven components. Overall, this rubric can aid in the process of identifying the most important training components based on individual learning objectives and deciding on additional training or skill building opportunities as more learning or practice is desired.

Coaching Skills & Practice

A financial coach serves as a facilitator, supporting clients as they set their own goals, develop plans, and experience growth and learning. This collaborative process requires a variety of interpersonal skills and communication techniques. Some of these important skills include:

- Actively listening to what clients say in order to be aware of the deeper significance to their values, behavior patterns, and strengths, and to increase clients' self-awareness.
- Asking thought-provoking and powerful questions;
- Mirroring client language and reframing perspectives; and,
- Facilitating client goal-setting and attainment.

While many professionals may already apply some of these skills when working with individuals across a variety of settings, engaging them purposefully following a coaching philosophy and framework requires practice. A training that includes opportunities to practice coaching skills coupled with time for self-reflection and peer or trainer feedback can help coaches become more comfortable with core techniques, identify their strengths, and receive suggestions for honing their skills.

Coaching Theory

A theory-based approach is one of the defining features separating financial coaching from other types of financial interventions, such as counseling or financial education. The financial coaching approach is rooted in insights from behavioral psychology, including those from positive psychology and behavioral economics. Positive psychology informs goal formation and implementation while behavioral economics explains foundations of decision-making.

Behavioral psychology has been recognized as a primary driving mechanism for increasing goal attainment, improving self-efficacy, and altering negative habits and behaviors. Inclusion of behavioral psychology principles within financial coaching trainings is an important characteristic present in many leading financial coaching trainings. In addition to discussing the theoretical foundations of coaching, a training can teach techniques common to behavioral

Resources:

- [Financial Coaching: A Webinar Presentation of National Training Models](#)
- [Center for Financial Security \(CFS\) Brief Creating a More Inclusive and Accessible Financial Coaching Program](#)
- [CFS Coaching Website Financial Coaching Training Opportunities](#)
- [Financial Coaching Census 2016: A Progressing Field of Practice](#)
- [Financial Coaching Training Curricula: Field Inventory and Summary Brief](#)

psychology, such as motivational interviewing. Asking open-ended questions, providing positive reinforcement or affirmations, and taking a non-judgmental approach to a client's situation or financial issues are all important aspects of the method. By utilizing principles from behavioral psychology, financial coaches can facilitate behavior changes that result in greater financial security.

Financial Foundations

Although a financial coach does not focus on providing advice or directing clients' goals, knowledge of financial management topics equips coaches to support clients' progress towards financial goals. The United States Financial Literacy and Education Commission, along with several other national organizations, have identified six building blocks or competencies for personal finances:

- Goal Setting
- Maximizing Income
- Spending
- Saving
- Borrowing
- Protecting

These topics span all ages and socioeconomic groups, though specific needs vary by individual and household. Training that helps coaches become well-versed in these basics of personal finance positions coaches to support clients' financial goals. Coaching trainings differ in how much they emphasize financial competencies; some trainings treat them as a primary focus, while others cover financial basics as a secondary or supplementary concern. Some financial coaching trainings expect participants to have a foundation in basic financial content as a prerequisite to attending the training. Being aware of the level of financial content covered in a training, as well as the prospective trainees' existing financial knowledge, is a crucial consideration for choosing the most appropriate program.

Cultural Responsiveness

Many training programs are making great strides in fostering awareness and responsiveness to the diverse populations, and therefore cultures, that they serve. Incorporating the topics of inclusion, accessibility, and equity into the training can be helpful when individuals or organizations think about how to most effectively connect and resonate with their clientele. Some trainings focus on particular populations that are commonly served in the area where they are located, and others take a broader approach and provide practitioners with tools and awareness to address the differing needs of clients on their own.

At its foundation, the coaching approach requires coaches to be aware of and manage their own biases, and refrain from judging clients' decisions. Therefore, incorporating cultural or population-specific awareness into a financial coaching training or a supplementary course that builds coaches' understanding of their clients' beliefs and experiences — as well as their own — is an important consideration when choosing a training program.

Administration: Running a Financial Coaching Program*Outreach, marketing, engagement skills*

Surveys indicate that financial coaches, managers, and funders consider client engagement and retention to be an area of need for continued improvement in financial coaching programs. A financial coaching training that covers topics related to effective outreach, marketing, and engagement strategies can help coaches create accessible and inclusive financial coaching programs. For example, a training may cover techniques for tailoring messaging about the financial coaching approach to resonate with a particular audience, the impact of cultural and socioeconomic factors on accessing programs, or strategies for creating culturally-relevant coaching resources. An understanding of potential barriers to the take-up and follow-through of financial coaching and

strategies for addressing them is critical to increasing client engagement and the impact of coaching.

Data collection

Data collection is important for any financial coach, both for reporting to funders and monitoring the effectiveness of coaching sessions. Understanding how to effectively use data collection to support program quality improvement can include training on collecting data consistently across clients. A training can also highlight approaches to integrating data collection into coaching so the process is less burdensome on both the coach and client.

Technology skills

An understanding of available technology to support financial coaching may help coaches reach clients in new, more flexible ways. Training on client-facing technology like smartphones or online applications may present opportunities for increased access to coaching services for certain populations, such as people with disabilities or young adults. Training on technological platforms or resources for financial coaching can help a coach remain nimble and flexible to tailor financial coaching programs to the needs and interests of the individual client.

Training Logistics

Determining the most well-suited financial coaching training includes consideration of many factors pertaining to accessibility including the location, cost, and timing or duration of the training. Organizations and individuals must be aware of the factors that are most important to them. For instance, having the ability to send staff to trainings at regular intervals might be a key consideration for some, while others may find cost or location to be most salient to their decision. The influence of each of these factors will vary significantly depending on the individual and organization, but being deliberate when considering how each particular training option will fit into individual and organizational goals over time is vital.

Conclusion: Continued Support and Learning

Training and practicing to become a more effective financial coach is a continuous process requiring opportunities for ongoing skill development and learning. A trainer who checks in with past participants or has a structure in place that allows for trainee follow-up and support creates opportunities for continued learning and sharing of best practices. As a coach practices and builds competencies, opportunities to obtain input from the trainer foster continued growth. For example, a coach may submit a recorded session to a trainer for review and assessment. Some training programs may also offer opportunities for continued development of skills through online or remote programs or offer more advanced in-person training programs as a continuation to the more foundational trainings. Ultimately, any training is just a start; coaches need opportunities for continued growth along all of the dimensions outlined above.

Center for Financial Security

UNIVERSITY OF WISCONSIN-MADISON

Nancy Nicholas Hall

1300 Linden Drive

Madison, WI 53706

608.890.0229

Visit us on the web at

fyi.uwex.edu/financialcoaching &

cfs.wisc.edu

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