

University of Wisconsin-Extension Financial Coaching Training Outcomes

April 2017

Financial coaching is a relatively new approach to helping individuals improve their financial security. Early research suggests that financial coaching can empower individuals to reach their financial goals (Center for Financial Security, 2017); however, training new coaches and providing ongoing professional development opportunities remain key challenges for the field.

Beginning in 2010, to support the growth of financial coaching, the University of Wisconsin-Extension and the Center for Financial Security (CFS) have partnered to offer financial coaching training workshops in Wisconsin. These training sessions, which are led by UW-Extension educators, introduce individuals from a variety of backgrounds to financial coaching, demonstrate how to provide financial coaching services, and show how coaching skills be integrated into other services.

Early workshops were largely marketed to extension educators in Wisconsin, but over time, they have drawn individuals from a variety of fields and geographic locations. In 2015, the training was expanded from one to two days to allow time to delve more deeply into principles of behavior change and provide more opportunities for hands-on practice. All the trainings have focused on core coaching skills; recent sessions have also featured UW-Extension's A|4 coaching model. Information about future trainings and the A|4 model is available at UW-Extension's financial coaching website, fyi.uwex.edu/financialcoaching.

This brief uses surveys collected from training participants between 2010 and 2016 to explore how the trainings affected the ability and desire of participants to act in a financial coaching capacity.

Overview of Financial Coaching

In contrast to financial education and counseling, which tend to focus on providing information and advice, financial coaching takes a more goal-directed and client-driven approach. During financial coaching, clients define their financial goals, identify

Key Findings

- More than 300 individuals attended the Center's financial coaching trainings between 2010 and 2016.
- The trainings serve a diverse group of individuals with a range of professional backgrounds.
- Participants scored significantly higher on measures of knowledge about financial coaching ideas and best practices after attending training than they did before.
- 76% of participants indicated that they planned to use the coaching model or skills learned in the training to serve six or more clients in the months following the training.
- Respondents reported an increase in their use of four core coaching skills: active listening, holding clients accountable, allowing silence in discussions, and allowing clients to choose their own goals.
- Over 80% of participants rated the range of topics covered in the training as useful to their understanding of financial coaching.

the action steps needed to move toward those goals, form specific intentions to implement those steps, and work with the coach to establish a system for feedback and accountability (Collins, Olive, and O'Rourke, 2013). Ideally, financial coaching helps clients follow through on their desire to improve their financial situations.

From a service delivery standpoint, the coaching approach often requires a shift in orientation. Some individuals may struggle with the shift away from giving clients advice toward a focus on facilitating clients' own goal setting. Although financial coaching may be delivered as a stand-alone service, coaching skills are often integrated into existing delivery models. Given these two points, the

trainings focus primarily on coaching skills rather than on financial content.

The UW-Extension [financial coaching website](#) provides additional background about the coaching approach.

Evaluating Coaching Training Participant Outcomes

At the coaching training sessions offered by UW-Extension and CFS, participants are asked at the beginning of the session to complete baseline surveys, which provide an assessment of their knowledge of the financial coaching approach and the skills needed to coach others going into the training. The surveys also include questions asking about the respondent's confidence with and interest in using financial coaching skills. Two weeks after the trainings, participants receive an email follow-up survey designed to measure how much their knowledge and views may have changed. Most participants respond to the follow-up survey within two weeks of receiving it. The surveys also ask for feedback about the training.

The surveys analyzed in this brief were collected in fifteen training sessions held between 2010 and 2016; 317 individuals attended these trainings. The sample comprises 243 baseline surveys and 109 follow-up surveys, for response rates of 77% and 45%, respectively. This analysis focuses on the 93 respondents whose baseline and follow-up surveys could be matched, a match rate of 38% relative to the original 243 baseline surveys.

The sections below present the primary findings from the baseline and follow-up surveys.

Who Attended the Training Workshops?

The financial coaching trainings were attended by individuals from a variety of professional backgrounds, with varying amounts of experience. Among the 93 people in the final sample, 85% indicated they worked in a human services profession; 17% had previously been involved with some type of coaching, and 10% identified as financial coaches. Just 5% identified program administrator as one of their roles. (The numbers sum to greater than 100% because participants could select more than one role.) Of these respondents, 22% indicated they had less than a year of experience, 52% had between 1 and 13 years of experience, and about one-quarter (26%) indicated they had more than 13 years of experience.

In terms of educational background, nearly three-quarters of respondents (71%) held a Bachelor's degree or higher; many others were currently enrolled in higher education or had earned an Associate's degree.

Finally, respondents were asked to indicate their race by selecting all of the categories they identified with; 11% identified as Hispanic/Latino, 77% as White, and 10% as Black. Two other respondents chose Native American (1) and Asian (1).

Participants' Knowledge and Motivation

The baseline and follow-up surveys assessed respondents' self-reported knowledge of ideas and techniques central to financial coaching. The knowledge questions covered five topic areas, shown in Table 1. The survey items asked respondents to rank how much they agreed or disagreed with a number of statements describing specific coaching skills or knowledge. Most of the items were structured so that higher rankings indicated greater knowledge of the topic. For all topics except one (the definition and scope of financial coaching), responses to relevant items were aggregated into an index. For example, the index for respondents' understanding of "Facilitating positive results when coaching" was comprised of their responses to five questions, summed to a single score. We then compared baseline index scores to follow-up index scores using one-sided t-tests, a standard statistical test.

Using this technique, we found that there was a statistically significant increase in respondents' average scores across all five topics.

- Coaching Philosophy and Facilitating Positive Results scores exhibited the greatest increases from baseline to follow-up, about 10% each.
- Scores on the Communication and Relationship Building indices increased by 4% and 3%, respectively.

The questions around the definition and scope of coaching were not compiled into a single index. Instead, each of the three questions was analyzed individually; two of the questions showed statistically significant increases:

- Respondent's self-reported knowledge of when to refer clients to other services or support professionals increased by 24%.

Table 1. Survey Topic Areas

Topic Area	Number of Questions	Sample Statements
Philosophy underlying effective financial coaching	4	Coaching clients should be able to set and meet personal goals.
Facilitating positive results when coaching	5	I can identify people's strengths and what motivates them.
Communicating effectively in a coaching setting	5	I know how to ask questions that encourage reflection, insight, and action.
Building successful coach-client relationships	3	I am willing to help someone reach a goal even if that goal is not one I personally value.
Definition and scope of financial coaching	3	I understand and can explain the distinctions between coaching, consulting, therapy, and other support professions.

Note: All questions were multiple choice. All topic areas aside from the definition and scope of coaching were scored as indices, with a single aggregated score given for all questions in the topic area.

- Respondents' understanding of the difference between "coaching, consulting, therapy and other support professions" increased by 33%.

A third question, assessing the respondents' level of organization, did not show a statistically significant change.

Finally, we analyzed a stand-alone question that asked, "If you had a question about a financial problem, how confident are you that you could find an answer?" Scores on this question increased by 6% from baseline to follow-up. This finding is particularly interesting because the training does not go into detail on this topic; nevertheless, the experience appears to have increased attendees' confidence in seeking out financial solutions.

Table 2 summarizes the changes in respondents' knowledge from baseline to follow-up.

Beyond assessing respondents' knowledge of financial coaching concepts and techniques, the surveys asked about their interest in engaging in financial coaching in the future. On the follow-up survey, nearly all respondents reported that they planned to incorporate coaching into their work. Furthermore, almost 76% of respondents indicated they planned to use a coaching model or coaching skills to serve six or more clients in the six months following the training.

Finally, the survey asked respondents how their approach to working with clients had changed since the training across five areas: active listening, holding clients accountable, allowing silence in discussions, allowing clients to choose their own goals, and providing direct advice. The first four are

Table 2. Summary of Coaching Outcomes

Outcome	Direction of Effect	% Increase
Topic Areas		
Coaching philosophy	+	10%
Facilitating results	+	10%
Communicating effectively	+	4%
Building relationships	+	3%
Individual Questions		
When to refer clients to other services	+	24%
Differences between coaching and other services	+	33%
Well organized	n/a	–
Confidence in finding an answer to a financial problem	+	6%

important coaching skills; providing direct advice is a much smaller part of coaching than it is of other models. Across the first four topics, 60% of respondents indicated they would do more to implement these important coaching ideas. By contrast, 40% of respondents indicated they were being less directive with clients.

Feedback about the Training Process

The follow-up survey asked for feedback about the training, including how useful respondents found eight of the core training topics. Of these, coaching skills, listening, and coaching relationship were the highest ranked, with over 90% of respondents calling these discussions useful. The remaining topics, which included coaching demonstrations, coaching definitions and distinctions, and trios/

couples practice time, were also ranked as useful by strong majorities of respondents. In total, these results indicate that attendees found of the core topics of the training valuable.

Another question asked attendees to indicate what topics on a list of eight coaching-related topics they felt they needed additional training in. Powerful questions topped this list, with almost 58% of respondents indicating a medium or high need for additional training. In addition, around 40% of respondents indicated they had a medium or high need for further training in accountability, championing, and reframing.

Finally, 33 individuals provided written feedback about their experiences in the training. The overwhelming majority of the comments were positive, with individuals praising the training's structure and its clarity in explaining how to use coaching techniques with clients. Sample responses include:

This was a great workshop, well organized and structured in a way that coaching is understood as an approach to adult learning but also as a framework for goal-setting.

I enjoyed the wide range of professionals exchanging perspectives during group activities. I felt the trainers were accomplished and well prepared for their leadership functions.

Several respondents did request more information on financial topics not covered by the training, including credit scores, personal finances, and taxes. This feedback is consistent with some of the results of a baseline survey question that asked respondents to rank their knowledge of fourteen financial topics. Respondents had rated their knowledge lowest in the areas of investing for retirement; education, childcare, and the Earned Income Tax Credits; and insurance.

Conclusion

The survey results show that participants' knowledge of the financial coaching approach increased after participating in CFS's financial coaching training. Specifically, levels of knowledge about financial coaching philosophy and definitions, as well as relationship building, communication, and results facilitation techniques, all improved at statistically significant levels.

Furthermore, participants reported that as a result of the training they were more likely to use financial coaching techniques and concepts with clients in the future, with 76% indicating that they would do so with at least six clients in the six months following the training. Finally, over 80% of participants rated the topics covered in the training as useful to their understanding of financial coaching.

Some respondents did request additional information on financial topics that were referenced in the training but not covered in depth (for instance, investments, insurance, taxes). In the future, resources could be made available to attendees to help them increase their knowledge on these topics independent of the coaching training.

Overall, these results suggest that this type of training is a powerful tool in expanding the financial coaching profession. In the future, additional follow-up surveys could be used to better understand the longer-term impact of the trainings on both attendees and their clients.

Ultimately, the success of the financial coaching field hinges on the quality and effectiveness of the services coaches provide to clients, which in turn requires strong training and professional development opportunities. Interest in financial coaching naturally gravitates to client outcomes, but studying other elements including coaching trainings is critical to the development of standards and best practices for the field.

References

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- Collins, Olive, and O'Rourke. 2013. "Financial Coaching's Potential for Enhancing Family Financial Security." *The Journal of Extension*, 51(1).

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