

Issue Briefs

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Family Financial Education



Financial Coaching Training Assessment

Financial coaching is an emerging approach that helps individuals set financial goals, develop concrete action plans toward those goals, and maintain accountability. Additionally, coaches help clients identify personal strengths and community resources that can aid in goal attainment. At its core, financial coaching aims to help individuals turn knowledge, intentions, and aspirations about their finances into reality. Because it is such a new strategy, the availability of financial coaching in Wisconsin is limited. In order to expand the public's access to coaching, the University of Wisconsin-Extension started training new financial coaches in December 2010. To date, about 150 individuals from a variety of organizations have participated in seven financial coaching training workshops offered by UW-Extension.

This report summarizes interviews with 42 workshop participants from the first three trainings, which were held in December 2010, April 2011, and May 2011. The goal of these interviews was to discover how participants use financial coaching, including how many people they reach. The interviews also set out to identify barriers to financial coaching and additional support individuals may need to be successful in using a financial coaching approach. Finally, the interviews were used to gather information and ideas that might help document longer-term impacts of financial coaching programs, in order to find out what difference coaching makes in participants' lives.

The interviews supplement baseline and follow-up surveys that workshop participants are also asked to complete. For more

information about the findings from these surveys, please see the "Using coaching to build family financial security: Turning knowledge into action" Impact Report available at <http://flp.ces.uwex.edu/files/2012/08/financial-coach.pdf>. The interviews allowed workshop participants to go into much greater depth about their experiences over a longer follow-up period.

Overview of UW-Extension's Financial Coaching Training Workshops

In 2010, two UW-Extension Family Living educators participated in an intensive train-the-trainer coaching program offered in Chicago by the Central New Mexico Community College, a national leader in training new financial coaches. The educators have since developed and presented seven financial coaching workshops in Wisconsin. Participants complete a two-hour pre-workshop assignment, attend a six-hour training, and complete a two-hour post-workshop assignment. Through the assignments and in-person workshop, participants:

- (1) learn what financial coaching is and how it differs from other interventions such as financial counseling,
- (2) are introduced to the COACH model (Competencies, Outcomes, Actions, Checking) and effective coaching skills,
- (3) have the opportunity to practice coaching strategies in pairs and small groups,
- (4) learn about national financial coaching resources, and

(5) receive information about evaluating the effectiveness of coaching.

RESEARCH METHODS

The UW-Extension Financial Coaching Leadership team developed this assessment project in order to follow up with past financial coaching training workshop participants. The Leadership team designed a telephone interview protocol and attempted to contact each individual who attended the financial coaching workshops held in December 2010, April 2011, and May 2011. The interview protocol was designed to take about one-hour and consisted of open-ended questions with prompts. The Appendix lists the interview questions and prompts. Potential interviewees were first contacted via e-mail, with a follow-up telephone call as needed, to explain the purpose of the project and to schedule a date and time for an interview. The interviews were completed between January and March 2012 by a UW-Extension qualitative researcher. Participants in the October and November 2011 workshops, the most recent trainings at the time the interviews were conducted, were not interviewed, as sufficient time had not elapsed following those trainings.

FINDINGS

Description of Respondents

Sixty-eight individuals attended the three financial coaching training workshops described above. Among those 68 participants, 42 interviews were completed, for a response rate of 62%, which is quite high given how much time had elapsed since the workshops. Twenty-five of the 42 respondents (60%) were employed by UW-Extension, and the remaining 17 respondents (40%) worked for other organizations. Of those who were not interviewed (n=26, 38% of the original 68 workshop participants), 10 had retired or no longer worked at the same organization, eight did not respond to the

telephone and email messages, and eight were removed from the list at the request of a supervisor who also attended a workshop and was interviewed for this project.

Implementing Financial Coaching

Almost all respondents (40) seemed to have a good understanding of what "textbook" financial coaching is, and when prompted, were able to describe coaching fundamentals such as letting participants set their own goals, the importance of follow-up and accountability, and coaching's focus on outcomes and behavior change. The other two respondents reported that they understood financial coaching, when in fact what they described were more financial education and counseling models. Nearly all respondents (40) stated that the techniques and/or philosophical approach of coaching have carried over into other programming and content areas, such as parenting education.

Fifteen of the 42 respondents (36%) reported implementing financial coaching programs in line with the model covered in the training (e.g. one-on-one, client-directed, follow-up sessions for accountability). Sixteen (38%) reported incorporating some coaching techniques into their work while not directly coaching others, and the remaining 11 respondents reported not having developed financial coaching programs or incorporated coaching techniques into their work. Of the latter group, six of the 11 respondents reported an intention to use coaching in the future, though significant time had already elapsed since the workshops.

Among the 15 respondents who reported implementing coaching programs in line with the model covered in the training:

- Approximately one-third (six) conducted financial coaching with three or fewer participants.
- Four reached between 12-55 individuals each.
- Three reported coaching and training others, thereby reaching 112 individuals in total.
- Two described “hybrid” programs, in which they offered financial coaching as intended, but blended it into existing programs such as financial education.

All 15 individuals who implemented financial coaching were asked to describe their programs. They all seemed to have a clear understanding of the financial coaching approach, and they primarily described their programs as working with individuals one-on-one. They reported using a “questioning approach” with clients (versus a directive approach), and they allowed participants to set their own goals. Without further prompting, however, most respondents did not describe coaching as a series of meetings over time. Ideally, coaches and clients meet over weeks or even months, which boosts accountability by allowing the coach to “check in” on clients’ progress towards their goals. With prompting, all 15 respondents who were implementing coaching mentioned that they did some follow-up, intended to do it (in cases where not enough time had passed), or attempted to do it (but were not able to reconnect with clients).

Interestingly, three respondents had adapted the coaching model to a group setting. In all three cases, the respondent was a UW-Extension educator, but the idea of using coaching in a group setting had emerged independently. Each educator adapted the ‘questioning approach’ and allowed the group to be involved in thinking through strategies and helping individual participants set goals.

In some cases, respondents reported that participants in their programs were mandated to attend coaching. Whether mandating coaching is a “mis-match” to coaching’s underlying commitment to following the client’s agenda remains an open question, but the existence of these programs indicates that coaching can successfully be used in a mandatory environment. Some respondents did view mandatory coaching as a mis-match, while others did not.

Among those respondents who did not directly implement coaching (n=27), 16 had integrated some coaching techniques into their regular financial education or counseling work. The coaching techniques most reported included: (1) their work with clients had become more client-centered, (2) they had adopted a “questioning approach,” versus a directive one, and (3) they were focused on letting clients set their own goals.

Of the 11 respondents who reported that they had not used coaching or integrated it into their work, six reported an intention to do so in the future. The remaining five had various reasons for not using coaching—two had attended the workshop to learn more about financial coaching but then did not see an application to their work, two attended the workshop to see how coaching might work within their organization, and one reported that financial coaching did not fit his or her job description.

Perceptions of Financial Coaching

Overall, respondents expressed that they liked the coaching approach. They felt that the role of a coach was a good fit for them, versus functioning as a financial expert or telling a client what to do. They described being “grateful” that a coach does not need to be a financial expert or have all the answers. Only one respondent expressed a

preference for the expert model and struggled with the coaching model.

For me, it fits my style of interacting with people. Using coaching is more comfortable to me.

It comes naturally to me.

I'm much more relaxed. I don't have to worry about having all the answers.

It takes the pressure off. I can be a facilitator, rather than an expert.

Almost universally, respondents reported that their initial impressions of financial coaching did not change after attending the training workshop. In other words, they had a good idea of what the programming would be like when they signed up for the workshop.

Keeping in mind that most respondents were not conducting coaching per se, most did relate a sense that the general approach worked "better" for their clients than counseling. Anecdotally, the respondents reported that their clients seemed more "in control," "empowered," and "positive" about the goals they were setting.

It is empowering. They have to come up with answers on their own.

For one of my clients, if you give him advice, he closes off. But if he gets ideas on his own, he responds well.

It allows my learners to take ownership, and they do.

He (a client) kept saying how nice it was for him to be able to set goals and not be told what to do.

Respondents also reported that the coaching approach allowed them to develop trust and better rapport with their clients.

(My) clients quickly learn (the coach) isn't gonna fix it, or have all the answers, and this levels the playing field.

We're asking the client what they need, because they know what they need. If we listen to them, it makes them more apt to listen to us.

It builds relationships....learners feel they now have a support system.

My clients have a better attitude toward working with me and tend to meet their goals.

There were several cases where educators reported that the clients were coming to them in crisis. Many educators stressed that they felt the coaching approach wasn't really appropriate for those situations.

It works if a person isn't in crisis.

Often, people are in crisis and need immediate help or answers.

Folks in foreclosure prevention are in too much of a crisis (for coaching).

Supporting Financial Coaches Following the Workshops

Over 50% of respondents stated that they would like opportunities to network with others around financial coaching, to share best practices, brainstorm challenges, and exchange ideas about their coaching experiences. Many noted a preference for distance methods (e.g. Conference calls and webinars). Only three respondents stated a desire for more in-depth training.

I'm always interested in hearing what others are doing and brainstorming and troubleshooting.

Wislines (conference lines) to share back and forth.

We need more staff development on this...to discuss together 'how's it going?', 'what are new ideas out there?', problem-solving together.

Curious what other people are doing, how's it going. A Wisline (conference line) to share with other trainees as well.

Among all respondents, approximately three-quarters stated that they wished they could have incorporated more coaching into their work. The most common barriers to using more coaching were lack of time and barriers to getting clients in the door. Approximately 10% stated the need for more in-depth training before they are comfortable using coaching.

Approximately 30% of respondents specifically reported challenges in recruiting coaching clients. Despite some different attempts (e.g. working to get referrals, advertising), they were unable to get as many participants as they had hoped. They would like to learn more about successful strategies to get participants enrolled and engaged in financial coaching. In addition, approximately 30% specifically requested assistance or tools to document impacts of financial coaching programs. Some of these individuals felt they needed to be able to justify the coaching approach with their stakeholders.

Several respondents pointed to time constraints and challenges fitting coaching into their workload. There was significant interest in exploring methods for training volunteers to conduct coaching. Some referred to an informal network of UW-Extension Family Living Educators already formed to further explore this idea. Two respondents run fairly elaborate volunteer coaching programs, one within UW-Extension and one outside it, that might provide

experience and models for others in Wisconsin.

CONCLUSIONS

Interviews of 42 participants in UW-Extension's first three financial coaching trainings document the workshops' impact on the availability of financial coaching in Wisconsin. Over one-third of respondents indicated that they were running programs, and another 38% reported integrating coaching techniques into their work. The scope of participants' coaching efforts ranged from coaching a few individuals to potentially reaching dozens of clients, especially when participants took what they learned in the workshops and trained others. Respondents came from a range of organizations, which suggests that the coaching approach is flexible across different contexts. In this regard, group financial coaching and using coaching in a mandatory environment, in particular, are worth further exploration. Admittedly, it is difficult to learn through interviews exactly how workshop participants implemented coaching, but nearly all seemed to have a strong understanding of the fundamentals of the coaching approach.

Nearly all respondents reported a desire to use coaching more often, and the primary barriers to doing so were time constraints and getting clients to sign up. Perhaps through facilitating more ongoing interaction among coaches, coaches can learn from one another and overcome some of the common barriers to coaching. Few respondents reported a desire for more formal training, but about one-half were interested in lighter touch opportunities such as conference calls or webinars. One major gap in the financial coaching field is hard evidence of coaching's effects on client's financial outcomes. To date, research on the effectiveness of financial coaching is scarce. Many participants are interested in documenting impacts, and this remains an ongoing issue

for the field as a whole. Ideally, the continued expansion of financial coaching facilitates more rigorous evaluation.

UW-Extension has continued to offer financial coaching trainings in Wisconsin since these surveys were conducted in early 2012. Most recently, UW-Extension and the Wisconsin Department of Financial Institutions have

partnered on an initiative to expand access to financial coaching among veterans. Financial coaching is continuing to expand in Wisconsin through the efforts of UW-Extension.

Appendix: Interview Questions and Prompts

Background Questions

1. Why did you attend the financial coaching training on (x date)? (Prompts: How did you hear about the training? What motivated you to go? What interested you in coaching in the first place? Did someone in your organization ask you to attend?)
2. Please describe your position/role within your organization?
3. Were there others from your organization who attended the training? (Prompts: Did you attend as a team? Are these people that you work with on a regular basis?)

Questions about Financial Coaching

1. Since the training workshop, have you used financial coaching, or integrated the techniques into your work?
If NO, "why" and your plans, if any, to use financial coaching in the future. Also ask if their initial impression has changed about coaching now that they've been through training. Did they think it might not work? Why?
If YES, continue with...
2. Describe the ways you have used financial coaching. As they describe, use the following questions as prompts:
 - a) What does your financial coaching "look like?" Describe the methods/techniques you used. With whom? In what context (e.g. in person or remote? in context of case management? as a volunteer)? Over what period of time?
 - b) How many people have you reached through coaching? Through integrating some coaching methods into your other work? Trained to coach?
 - c) What's worked well using financial coaching? What has been challenging? Are there barriers, individually or organizationally?
 - d) If you didn't use financial coaching in a formal, structured sense, in what ways did you use what you learned? Did what you learn in the training change any way you do your work?
 - e) What difference has the training made in your work? How do you know?
 - f) What difference do you think your methods have made for your clients/learners? How do you know?
 - g) If you attended the training with others from your organization, have you worked together, supported one another, or otherwise networked with those individuals within your organization, with respect to financial coaching? If so, please describe.

- h) To what extent have you networked, shared learning and experiences, and/or further explored financial coaching with those outside of your organization? If at all, in what ways? What challenges, opportunities, or outcomes have come from those connections?
 - i) Have you continued to learn more about financial coaching since the training workshop? (prompts: additional professional development, etc.)
 - j) Since attending the training workshop and/or trying out coaching, has your initial impression of financial coaching changed? If so, how?
5. Do you have ideas of how UWEX might further document impacts of the financial coaching program?
 6. What additional resources would help in your use of financial coaching? (prompts: Do they use the website? Read the newsletters? Other ideas for resources or supports?)
 7. Do you have any other comments? Questions?



The University of Wisconsin-Extension (UWEX) Cooperative Extension's mission extends the knowledge and resources of the University of Wisconsin to people where they live and work. Issue Briefs are an ongoing series of the Family Financial Education Team. This brief was drafted by Kadi Row, Outreach Specialist and Peggy Olive, Associate Professor, both of Wisconsin Cooperative Extension.; J. Michael Collins, Assistant Professor in Consumer Finance and Extension State Specialist, Center for Financial Security and Collin O'Rourke, Outreach Specialist, Center for Financial Security, © 2013 Board of Regents of the University of Wisconsin System.