



Summer 2015

Welcome to the Summer 2015 Financial Coaching Newsletter! We have a couple of new article additions to the newsletter that we are excited to share: one that focuses on client experiences in the financial coaching process and one that spotlights new financial coaching training opportunities. We hope to keep these two new sections updated with your

contributions, so please contact us with any and all suggestions. We are also always on the lookout for new ideas to bring our readers information on financial coaching, so please continue to provide feedback and input for future issues. Please send comments to:

fincoaching@mail.sohw.wisc.edu



Cally Ingebritson
Financial Capability Manager
Prepare + Prosper

www.prepareandprosper.org/

An Interview with Cally Ingebritson of Prepare + Prosper

Hallie Lienhardt, Center for Financial Security

CFS: Would you mind sharing a little bit of background on Prepare + Prosper and how you became involved with financial coaching?

Cally: Prepare + Prosper started out offering free tax preparation for low- and moderate-income individuals in 1971. We like to think of ourselves as founded by geeky, social-justice minded accountants. We are now in our 44th year of doing this work.

Starting in 2006 we began offering different financial services at our tax preparation sites, such as savings accounts and savings bonds, direct deposit, prepaid debit cards, and pulling credit reports. In 2013 we began our new strategic plan and we found that we had reached a point where our organization could go in several different directions, but we wanted to focus on expanding thoughtfully and properly. We had a few ways that we could grow: expanding our tax preparation to a lot more sites, keep the tax program the same size while offering deeper financial services, or grow as an organization that does more direct advocacy work. We chose to do the last two of those three. That is when financial coaching became a priority program. I had been on seasonal staff at our tax sites, but about two years ago I came on to help launch the financial coaching program, which we now call Money Mentors. We did a pilot in the spring of 2014 for 3 months. And we launched the program in the fall of 2014.

CFS: How do you go about recruiting your volunteer coaches for the Money Mentors program? What kind of person do you find to be a successful coach?

Cally: We are actually right in the thick of figuring this out. But we do have a variety of people volunteering as financial coaches. Some are people who have worked in the financial field and want to give back. But the majority of the coaches are people who “walk the walk” in their own life. They are

people who have an active relationship with money, wanting to work towards their own financial goals, and have actually overcome things in their financial past. I asked about this in the interviews when selecting the coaches. I wanted to make sure that they knew what it was like to have to work towards something like the people they would be working with. They all have that desire to help others in this area. Successful coaches are empathetic listeners and caring people in general. Our certified financial planners are great coaches, but it is not a requirement to have extensive financial knowledge to be a really great coach.

CFS: What is the format of the volunteer program? How do you train the coaches?

Cally: We structure it so that our volunteer coaches make a yearlong commitment to Prepare + Prosper and are paired with four partners. During our fall 2014 launch it was a four month program, with monthly meetings September through December. In the future we want the partners to commit to five to six months. Volunteer coaches volunteer twice per month and see two of their partners on each of those meetings. The meetings are scheduled first and second weeks of the month. We expect the volunteers to reach out to their partners at least once between the monthly meetings whether by phone call, email, texting, FaceTime or Skype. I’m really happy that the volunteers are following through on that.

Last time the volunteers did a four part training, but next time it will be a five part training because we are integrating The Financial Clinic’s [Change Machine](#). The training consists of financial coaching skills such as deep listening, empathy, and emotional intelligence--which I feel is such a key skill for coaches. The next step in our training is bringing in experienced coaches to lead certain parts of the trainings. Last year the coaches went through two hours of training with our transit partner, so we’ll

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Resources provided by Prepare + Prosper:

About Money Mentors:

[http://
www.prepareandprosper.org/
moneymentors](http://www.prepareandprosper.org/moneymentors)

Transit for Livable
Communities

[http://
www.tlcmnnesota.org/
rethinking_transportation/
#transportationoptions](http://www.tlcmnnesota.org/rethinking_transportation/#transportationoptions)

The Financial Clinic's
Change Machine

<https://change-machine.org/>

Tax Time=Money Moment

[https://change-machine.org/
events/
startplanningfor-
nextyearstaxes](https://change-machine.org/events/startplanningfor-nextyearstaxes)

do that again. I'm thinking about bringing in a housing organization to do some training this time around as well. We are never going to be a housing organization, but so many people's goals revolve around housing that I feel like it would be really beneficial to train the financial coaches with some of this knowledge.

CFS: You mentioned some partnerships that Prepare + Prosper has developed; can you tell us about that?

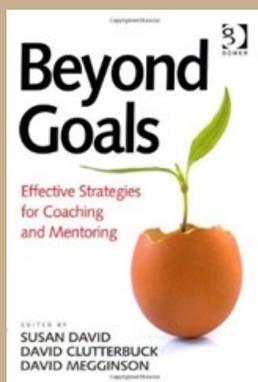
Cally: We'll be using The Financial Clinic's [Change Machine](#) platform as well as partnering with them to begin a group on Change Machine called Tax Time = Money Moment. This is an online space where people can learn about basic resources, tips, etc. and it provides a platform for financial coaches to discuss the importance of tax planning year round. It launched recently and we are doing quarterly webinars on this. We also have a partnership with an organization called Transit for Livable Communities. They are all about creating a multi-modal Minnesota where people are nimble with their transportation options (i.e. using a bike, walking, etc.), which is beneficial not only for health, but creates savings opportunities. It can be much more cost effective to use different transportation options for different needs. People who get referred through a financial coach or financial counseling program like ours get assistance with their transportation costs and get partnered with a transportation advocate from their Transportation Options program. The advocate is similar to a financial coach but is focused solely on transportation options. They work with their partners for six months.

CFS: Do most volunteer coaches continue coaching from year to year or do you try to get new volunteers?

Cally: During the pilot we had seven coaches and all but one decided to continue on. So far this round we have ten coaches paired with four partners each. We want to increase up to twenty-five coaches so I am hoping that most will want to continue.

CFS: Any last thoughts on financial coaching?

Cally: We always knew that our customers had deeper financial issues that we wanted to help with, but we didn't have an internal resource to connect them with. Now with Money Mentors we do have that resource and it's very exciting. I've heard from our volunteers, many of whom were previously working at our tax sites, that they really like that they are building relationships with people over time. Previously at our tax sites the volunteers would meet with someone that one time and then basically send them on their way. Now there is ongoing support, ongoing help with financial issues, and relationships being built. I'll share a couple of exit survey quotes from partners about their financial coach, which I think embodies the positive response to Money Mentors: "When I would forget to check in my coach would check in on me and praise me for accomplishing my goal." "I enjoyed having the opportunity to talk to an outside source about my finances and have someone help me to achieve my goal." 🍎



Review You Can Use: *Beyond Goals: Effective Strategies for Coaching and Mentoring* Edited by Susan David, David Clutterbuck, and David Megginson

Collin O'Rourke, Center for Financial Security

Beyond Goals: Effective Strategies for Coaching and Mentoring (Gower Publishing Limited, 2013; free chapter is available [here](#)) is an edited volume featuring a veritable who's who of international coaching researchers. Despite its practitioner-oriented title, *Beyond Goals* is an academic book, a fact driven home by such figures as "The coaching field – a dynamic dialogical model of the coaching conversation" (Chapter 8) and "The social cognitive neuroscience of goal setting" (Chapter 6). I raise this issue only because the academic content and tone of certain chapters might turn away some potential readers, as they almost did to me. This would be unfortunate, as much of the book is useful for coaches and researchers alike.

Beyond Goal's 17 chapters focus on different aspects of goals, goal setting, and working with goals

within coaching or mentoring. The chapters are not organized by theme, but the opening chapters get readers up to speed on existing research into goals and coaching. The bulk of the chapters then focus on specific aspects of goals in coaching and mentoring relationships, including "Putting Goals to Work in Coaching: The Complexities of Implementation" and "When Goal Setting Helps and Hinders Sustained, Desired Change." Many of the chapters cover overlapping topics, but the authors do not necessarily address one another. This can make for both an interesting and a frustrating read—interesting because the authors sometimes offer quite different viewpoints on the same topics, but frustrating because the book does not always provide clear takeaways about which view is recommended for coaches.

Review cont. on page 3

Although the book's title indicates that it provides readers with "effective strategies," the book is much more successful at raising questions about existing coaching practices than it is at providing concrete coaching strategies. For instance, many authors criticize certain aspects of SMART goals, yet they provide little advice about what to do in cases when SMART goals are not a good fit. The authors are perhaps too timid to suggest new coaching strategies, which likely reflects their academic orientation. It is left up to coaches to use their creativity to develop new practices based on the information presented in *Beyond Goals*. The book succeeds in highlighting some of the areas where coaches might apply that creativity.

In the rest of this review, I focus on four topics covered in *Beyond Goals* that appear relevant to the financial coaching field.

Fixed and Growth Mindsets

Many readers may be familiar with the concepts of fixed and growth mindsets. Individuals with fixed mindsets believe that their intelligence and talent are fixed traits. In contrast, people with growth mindsets believe that they can learn and grow through effort and perseverance. Fixed and growth mindsets may affect how clients progress through coaching. For example, individuals with fixed mindsets may struggle when challenges arise, while people with growth mindsets tend to be more resilient in the face of setbacks. It is clear from *Beyond Goals* that much more research is needed into how coaches can tailor their approach based on a client's mindset. Initial evidence suggests that coaches can promote a growth mindset among clients, but specific strategies for doing so are not covered in *Beyond Goals*. To learn which mindset a client has, coaches might ask clients how much they agree with the following statements, developed by the leading mindset researcher:

1. Your intelligence is something very basic about you that you can't change.
2. You can learn new things but you can't change how smart you are.

The Goal-Focused Coaching Skills Questionnaire

Beyond Goals introduced me to the Goal-Focused Coaching Skills Questionnaire, a nine question survey that measures how coaches use goals in coaching. For example, one item asks coaches to rate how often "I set goals with my coaches at the start of a coaching assignment." One set of authors used the questionnaire to survey coaches from different backgrounds. Among their findings, coaches who completed a longer training course had higher average scores than coaches who were trained through experience only, but coaching experience was not associated with coaches' scores. Given the research design, the findings are exploratory. When I initially came across the questionnaire, I was hopeful that it could prove useful for organizations interested in identifying individuals who are a good fit to coach others or in measuring the effects of a training on participants' readiness to coach. I am skeptical this particular questionnaire could serve these purposes, especially because the responses are subjective and self-reported, but it could inspire future efforts in this area.

SMART Goals

SMART goals (often defined as Specific, Measurable, Attainable, Realistic and Time-bound) are discussed in numerous chapters. The general takeaway is that although SMART goals enjoy some research support, they are only appropriate in specific circumstances. Goals can take many forms, and they do not necessarily need to be converted into SMART goals. One chapter claims that SMART goals are better suited to performance rather than learning goals, the former associated with a fixed mindset and the latter with a growth mindset, and that SMART goals may even promote a fixed mindset (page 24). A later chapter provides a framework for deciding what types of goals are appropriate in different circumstances. The framework classifies goals based on whether they apply to a short- versus long-term situation, a slowly changing versus rapidly changing environment, and a simple versus complex problem. In this framework, SMART goals are only appropriate in one of eight circumstances: simple problems in short-term situations with slowly changing environments (pages 201 to 202).

The main shortcoming of the SMART goal critiques is that they do not provide enough guidance on implementing alternative approaches. Nonetheless, taken together, the chapters in *Beyond Goals* raise serious concerns about the potential overreliance on SMART goals within coaching. One of the few alternative approaches highlighted in the book, "Fuzzy Goals," are also SMART: Situational, Multifaceted, Adaptable, Risk-Taking, and Transformational. The five words that make up that approach highlight the complexity and challenges inherent in moving beyond the more straightforward traditional SMART goal approach.

"Goals Gone Wild" Harvard Business School Working Paper

Several authors refer to a 2009 Harvard Business School working paper, "Goals Gone Wild: The Systematic Side Effects of Over-Prescribing Goal Setting," (summary available [here](#); full article [here](#)). I encourage readers to consider reading that paper but do not have space to write about it in any depth here. The paper criticizes the overuse of goals on a variety of grounds. In turn, the authors in *Beyond Goals* are largely critical of the working paper, likely because they have a more nuanced view of goal setting than the approaches criticized in "Goals Gone Wild." It is clear the authors in *Beyond Goals* took note of "Goal Gone Wild," and at the very least the latter paper pushed the field forward by highlighting potential downsides or risks of overusing goals. 🍌

CFED's Assets & Opportunity Network Leaders Share Tips and Resources on Financial Coaching

Fran Rosebush, CFED

A version of this article originally appeared as a blog post on the Corporation for Enterprise Development's (CFED) blog (<http://cfed.org/blog/inclusiveeconomy/>). The national Assets & Opportunity Network is a movement-oriented group of advocates, practitioners, policymakers and others working to expand the reach and deepen the impact of asset-based strategies. Network members are on the frontlines of advocacy, coalition-building and service delivery.

Over the past year, members of CFED's Assets & Opportunity Network have increasingly expressed interest in learning more about effective financial coaching models and practices. As the popularity of this longer-term, client-centered financial capability strategy has been growing among others in the field as well, more information and resources are becoming available on the topic. A core function of the Assets & Opportunity Network is to seek and take advantage of opportunities to connect Network members to these resources and their peers facing similar questions. Through "A Virtual Coffee" phone discussion facilitated by CFED, Network Leaders were given the opportunity to discuss their common questions with each other, as well as share the resources they have found most useful. With support from the JPMorgan Chase Technical Assistance Fund, 16 Network Leaders came together for this call. Below are the tips and resources they shared.

What skill sets are most helpful to look for when recruiting coaches?

- Openness to learning coaching techniques and asking questions
- Ability to assess where a client is along the spectrum from crisis mode to thriving
- Ability to have empathy, turn off counseling mindset and use coaching method
- Strong listening skills

What are some ways to go about recruiting financial coaches?

- Train frontline case managers and their supervisors at social service organizations to implement coaching approaches when appropriate.
- Recruit from current staff, volunteers and former clients.
- Be clear with roles in partnership when recruiting volunteers from financial institutions—it is important to not promote specific products and to always use a coaching method.

What are the best ways to keep financial coaching clients engaged and committed?

- Integrate the financial coaching program to another financial capability program (e.g., IDAs, VITA services, credit counseling,

Fran Rosebush
Senior Manager,
Field Engagement
CFED



<http://cfed.org/>

lending circles, savings programs).

- Position the coach as a part of a support network available to the client.
- Emphasize the client's responsibility in the partnership.
- Schedule follow-up appointments immediately (could also include a mid-point call to check-in).
- Use empathy skills during the coaching appointment.
- Incorporate accountability and support from peers into group coaching models.
- Utilize online tools (e.g., MyBudgetCoach and The Change Machine) which can send reminders and be easily accessible.

How can organizations and coaches best collect data from financial coaching clients for outcome measures?

- Be conscientious about the burden or amount of the "ask" on clients to complete surveys and balance that with your needs to determine outcomes.
- Collect data on specific goals for coaching and the timeframe chosen to achieve those goals at the onset, which can help with measuring achievement as coaching progresses.
- Track confidence levels and how client's confidence with different financial activities changes over time can be a helpful measure for outcomes.
- Look at formative evaluation (i.e., how are the sessions going?). Ask this at end of each session.
- Look at summative evaluation (i.e., after they end coaching, follow-up on how things are going now, touch base a month or two afterward, and look at outcome measures such as credit scores at this later time).
- Capture detailed notes during each session, then track overtime as client progresses. ●

Focus on Financial Coaching Training

Hallie Lienhardt, Center for Financial Security



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."

Association for Financial Counseling & Planning Education® (AFCPE®) has partnered with Sage Financial Solutions to implement standardized, comprehensive financial coach training programs. This partnership brings a unique and integrated approach and builds upon core counseling and financial content required for the Accredited Financial Counselor (AFC®) certification. This training provides in-depth skills and techniques necessary to be an effective financial coach professional. Trainings are designed to meet various professional needs ranging from introductory to advanced programs. Through this partnership, AFCPE is now offering the financial coaching certifications, Financial Fitness Coach (FFC) and Certified Personal Financial Coach (CPFC). For information on financial coaching certification programs visit AFCPE's website or email mstarkey@afcpe.org. Web-based training for both the FFC and CPFC programs will be held July 9 and July 23. Visit their website for more information:

<http://www.afcpe.org/certification/certification-programs/financial-coaching-programs/>

Center for Financial Security and University of Wisconsin-Extension will hold a two-day financial coaching training in Madison, WI October 13-14. This workshop will include introductory and advanced coaching skills. To register and find out more please visit:

<http://www.cfs.wisc.edu/750.htm>

Asset Funders Network (AFN) and CFS are excited to co-host a webinar to be held July 7th from 12-1pm CST on the topic of "Financial Coaching: A New Approach for Measuring Effectiveness". Funder, researcher, and organization perspectives will be presented at this live event on the Financial Capability Scale. For more information and to register visit: <http://www.cfs.wisc.edu/748.htm>

UW-Extension and CFS recently released three Financial Coaching Demonstration Videos, which provide examples of financial coaching skills and techniques. The videos also provide a guide to the A|4 Financial Coaching Model. To view the videos visit:

<http://fyi.uwex.edu/financialcoaching/learning-to-be-a-coach/financial-coaching-demonstration-videos/>

Corporation for Enterprise Development (CFED) and CFS partnered with The Financial Clinic in a Virtual Interview on Financial Coaching. View the recorded event: <http://www.cfs.wisc.edu/744.htm>

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CFS would love to include your training opportunity in the next Financial Coaching Newsletter. Please contact us with information:

fincoaching@mail.sohe.wisc.edu

fincoaching@mail.sohe.wisc.edu

Center for
Financial Security



UNIVERSITY OF WISCONSIN-MADISON

Nancy Nicholas Hall
1300 Linden Drive
Madison, WI 53706

Visit us on the web at
fyi.uwex.edu/financialcoaching &
cfs.wisc.edu

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