

Financial Coaching in Practice: Findings From a Survey of Financial Coaches

J. Michael Collins,^a Hallie Lienhardt,^b and Peggy Olive^c

Financial coaching is an emerging strategy to help people enhance financial capability and well-being. However, few studies of coaching practices have been completed. A survey of 273 coaches in the United States provides insight into current coaching practice. The average coach in the survey served 19 clients per month and saw each client about four times. The range of coaches varied widely; many coaches operated at a relatively small scale, often embedded in social service programs. Coaches generally reported coaching had positive impacts on clients, especially coaches with more training and those who served more clients. Overall, this study shows the financial coaching field includes an array of approaches but may benefit from capacity building and adoption of standards of practice.

Keywords: financial coaching; financial capability; program implementation; service standardization

The terms *financial coaching*, *money coaching*, *budget coaching*, and *credit coaching* have all been used to describe one-on-one sessions with clients designed to “coach” performance improvements that help the client meet financial goals set collaboratively by the coach and client (Collins et al., 2007). Coaches help clients set financial goals and take specific steps toward those goals, and they check in on clients’ progress over time (Collins et al., 2013). While financial coaching is a promising approach to improve financial well-being, the study of coaching and coaching practices is still emerging. This study presents findings from a national survey of coaches that helps illuminate the state of the field.

Financial coaching is a distinct service from other kinds of financial support services. Table 1 shows a comparison of financial coaching, financial counseling, financial education, and financial planning across three dimensions: client goals, the nature of dialogue, and client monitoring or follow-up. Coaching is differentiated from other kinds of services in that coaches provide encouragement and accountability, and do so in a client-driven process (Delgadillo, 2015). The

goal of financial coaching is improvement in financial outcomes, as defined by the client. Counseling, by contrast, typically begins with a problem to be solved followed by money management advice (Tumataroa & O’Hare, 2019). In financial education, the goal is to increase financial literacy by conveying technical information (Wagner, 2019). Likewise, financial planners focus on prescriptive advice; financial coaching does not offer the same level of direction.

Financial coaching may include financial information, or even help with problem solving, but it is always guided by the client’s goals (Peeters et al., 2018). Coaching is not designed to create a therapeutic relationship or aid clients in crisis resolution (Delgadillo & Britt, 2015). A good financial coach actively listens, asks informed questions, and helps clients develop and refine their own goals and strategies (Collins et al., 2013). While financial education is directed at specific topics, a financial coach can shift to issues that clients need to understand to pursue their financial goals. Coaches may have the kind of technical expertise that financial planners use but will not deploy that level of support unless clients need it as part of their coaching process.

^aFaculty Director, Center for Financial Security, Office 4208, University of Wisconsin-Madison, 1300 Linden Drive, Madison, WI 53706. E-mail: jmcollins@wisc.edu

^bAssistant Director, Center for Financial Security, Office 4285L, University of Wisconsin-Madison, 1300 Linden Drive, Madison, WI 53706. E-mail: hallie.lienhardt@wisc.edu

^cFinancial Capability Specialist, Center for Financial Security, Office 4205, University of Wisconsin-Madison, 1300 Linden Drive, Madison, WI 53706. E-mail: polive@wisc.edu

TABLE 1. Comparison of Financial Coaching With Other Financial Services

	Financial coaching	Financial counseling	Financial education	Financial planning/ consulting
Client goals	Improvement	Problem solving	Information	Advice
Nature of dialogue	Active listening and questions to guide self-reflection	Didactic, prescriptive advice aimed at particular problem/crisis	Didactic and directed at defined topic	Analytical, technical, and prescriptive
Client monitoring/ Follow-Up	Follow-up and accountability explicit part of coaching plan	Ad hoc; client follows up as needed	No follow-up; client chooses what to do with information	Varies; plan indicates tasks to implement it

Note. Adapted from Collins (2014).

While the differences among these approaches are subtle in some ways, the differences between financial coaching, counseling, education, and planning are the foundation of a fundamentally different focus and approach. Coaching helps clients develop their ability to achieve their financial goals (Theodos et al., 2018). In counseling or financial planning, follow-up is task oriented and ad hoc; in financial education, monitoring after education is uncommon except for evaluation purposes. By contrast, accountability and follow-up are a central part of the financial coaching process. Clients in financial coaching do not just set goals; they are held accountable for their actions.

Financial coaching potentially offers a new approach to help people build financial capability, but it is a young field, with formal studies of programs beginning only in 2009. Little evidence has been developed on the state of financial coaching practice. The characteristics of financial coaches or the approaches they use across the variety of financial coaching programs are not well documented. Understanding how coaches operate can support the development of tools and resources to improve the efficiency and effectiveness of financial coaching.

This study seeks to provide a baseline for further study through a survey of practicing financial coaches, designed to provide insight into the current reach and typical practices of financial coaching. The results of the survey provide a snapshot of current financial coaching practices and approaches in the United States, as well as challenges and barriers for the field, identified by participating coaches. The insights yielded by the survey may contribute to standardization in coach training, delivery, and research. Without this standardization, the replicability and evaluation of financial coaching experiments remains limited.

Literature Review

As of 2020, there were about two dozen studies on “financial coaching” located across leading academic article databases (Google Scholar, JSTOR, Scopus), with the earliest study released only in 2009. These studies fall into several categories, including (a) field experiments on financial coaching programs, (b) case studies of financial coaching programs, and (c) papers that propose to develop coaching models or approaches rather than focusing on a specific program.

Field Experiments

Several studies focus on the effect of particular financial coaching interventions on specific financial behaviors, such as budgeting, paying bills, saving, and managing credit or debt. One of the most extensive empirical studies of financial coaching was a randomized experiment conducted at two sites: New York City and Miami (Theodos et al., 2018). While the two financial coaching programs included in the study both served low- to moderate-income individuals, client starting points and outcomes differed by location. Clients participating in the Miami program were more likely to have stable employment than clients in the New York City program. Clients in the New York program showed increased savings and credit scores; those in the Miami program reduced aggregate and delinquent debt (Theodos et al., 2018). This study shows that heterogeneity in financial coaching programs and clients can lead to differing outcomes. This variability reflects, in part, the client-driven nature of the financial coaching model.

Several other studies showed that financial coaching improved how well people manage credit or debt. For example, Moulton et al. (2013) found that financial coaching integrated into a homebuyer education program improved

the rate of people making mortgage payments on time. Modestino et al. (2019) found similar outcomes among younger, low-income clients who were offered financial coaching; participants improved their credit scores over time. Another quasi-experimental study showed that financial coaching embedded into housing programs helped low-income families increase earnings, decrease debt, and improve credit (Geyer et al., 2019). The coaching model in this study was participant-driven, as opposed to an expert-guided case management model, although the duration and frequency of financial coaching engagement was not specified.

Other studies show that financial coaching improves participant's subjective well-being. For example, White et al. (2019) found that financial coaching lowered the level of financial stress reported by women. In another recent study, parents of pediatric patients in a health care setting were shown to benefit from access to financial coaching along with an array of other non-medical services (Bell et al., 2020).

While these field experiments suggest that financial coaching can help improve clients' objective and subjective financial well-being, the forms of coaching used in these studies varied, as did the scale of the programs, the clients served, and the combinations of financial coaching with other services. As a result, outcomes across programs were not standardized. Thus, while these studies are promising, the lack of standardization makes generalization about successful practices in the broader coaching field risky.

For instance, studies offered little insight into the optimal number of coaching sessions, although studies on coaching in other contexts suggested that more sessions, beyond three or four meetings, may not amplify the impact of coaching (Jones et al., 2015; Theeboom et al., 2014). Likewise, the mode of delivery may not be a major factor for the success of financial coaching. Collins et al. (2016) showed that people reported improved budgeting behaviors after coaching regardless of whether the coaching was delivered in person or via an online tool.

Case Studies

While experiments to test the effects of coaching are important, observational case studies may be better able

to illustrate how coaching is being used in the field. One case study explored how a video-based coaching program designed around brief, solution-focused coaching helped tax filers build savings (Palmer et al., 2016). A case study of a financial coaching program that was delivered as part of a Head Start early childhood program showed that coaching in this setting helped parents set and achieve financial goals (Robertson & Curley, 2016). Rankin's (2015) case study of financial coaching in a workforce development program found that the more clients worked with coaches, the more likely they were to find and keep a job. In another case study, program participants with low incomes and low levels of financial well-being were found to be more likely to attend financial coaching (Marlowe et al., 2019).

Collins and O'Rourke (2012) conducted case studies of several coaching programs, each with unique clients and coaching models. Across programs, participants reported increased confidence in their ability to achieve their financial goals after taking part in financial coaching. Loomis (2018), exploring the use of coaching within a municipal financial empowerment center program, examined the application of financial coaching as a route to financial inclusion for low- to moderate-income households; the approach used incorporated a combination of goal setting, motivation, empowerment, and asset building. Loomis concluded that the financial coaching program observed in this study focused on individual responsibility rather than acknowledging and addressing the structural inequities and policies that create financial insecurity.

Overall, these case studies demonstrate that financial coaching programs employ a wide range of settings, models, and coaching approaches to achieve a broad variety of outcomes. Like the field experiments, these case studies do not provide a clear view of the state of the coaching field.

Model Development

One reason standardization has not emerged in financial coaching is that models are still in development. Indeed, a number of financial coaching studies are not based on any one project or program, but rather develop foundational principles using theories from psychology and other fields.

Several of these financial coaching model papers focus on the particular techniques used in financial coaching.

Delgadillo (2014) explored a self-discovery process coaches can use to help clients to realize their financial strengths and identify solutions to their financial problems. In another article, Delgadillo (2015) suggested that financial coaches can help clients to develop solutions by being keen observers and supporters in the process of establishing and working toward financial goals. Delgadillo and Britt (2015) noted that financial coaches should use different techniques than counselors or advisors do, relying on more client-driven, less prescriptive processes. They describe coaching as a strengths-based, solution-focused approach in which financial goals are set *by* the client in partnership with the coach, rather than *for* the client by a counselor or advisor. To support this general approach, Delgadillo et al. (2016) discussed the application of appreciative inquiry techniques to guide financial coaching clients in identifying and achieving changes in their financial behaviors.

Collins and Olive (2016) proposed another model, the A|4 coaching model, as a framework for coaches to engage clients in self-directed learning. The A|4 process includes Alliance, Agenda, Awareness, and Action steps. Within this framework, which is informed by a number of empirically tested psychological theories, coaches apply specific communication skills and behavior change techniques, such as self-determination and motivational interviewing, to facilitate goal setting, self-discovery, and action planning.

Another set of papers that develop coaching models are more focused on the mechanics of delivering coaching. Peeters et al. (2018) developed a model for coaching in group settings rather than one on one, which offers the benefit of delivering financial coaching more efficiently. A pilot study provided both group and individual financial coaching to individuals in the workplace to examine how financial and health characteristics affect coaching take-up (Hajat et al., 2020).

Other authors describe how financial coaching can be integrated with other financial services. Dubofsky and Sussman (2009) discussed how financial planners can strengthen client relationships by using coaching techniques as part of their planning and advising services. Knutsen and Cameron (2012) explored how coaching approaches can be used by financial advisors, in the context of financial planning for higher-net-worth clients making investment and insurance choices. Finally, Cao et al. (2020) provide insights

for financial organizations in using social media to facilitate financial learning and connect consumers to personal financial services in a model that could be applied to financial coaching.

Gaps in the Literature

Field studies, case studies, and papers that propose models for coaching practice all offer valuable insights for the developing field of financial coaching. However, these studies do not synthesize evidence across coaching programs. This literature on financial coaching raises several questions about the nature of the financial coaching field:

1. Who are financial coaches and what do they do? Prior studies have not provided much information about coaches' background or demographics, such as race and gender, training, delivery modes and approaches, or time spent with clients.
2. What do financial coaches need to be successful? Many financial coaching studies have examined pilot programs or laid out principals for coaching practice, but none have explored what coaches perceive as being critical for helping clients.
3. What outcomes are financial coaches trying to achieve? Since coaching is client driven, prior studies have used a wide range of outcomes measures. For the field to begin to show collective impacts and assess what approaches are most successful, researchers and practitioners need a deeper understanding of program outcomes as they are being used in the field.
4. What factors are associated with successful financial coaching? A number of studies measure goals or goal attainment. Many studies also capture budgeting and savings. More clarity around what programs, coaches, and ultimately clients perceive to be a successful coaching experience and an effective financial coach will further define the standards of the field.

This study contributes to the literature by illuminating the actual coaching practices and outcomes reported by financial coaches working in a wide range of programs and

implementing diverse coaching models. This survey of financial coaches provides a foundation to address questions related to coaching delivery and client outcomes. Insight into challenges surrounding client engagement, technology, and coach training can inform and improve coaching methodology and research. These cross-sectional data based on coach self-reports may help guide the standardization of financial coaching approaches to better serve the various constituencies of this emerging field.

Methods

The current survey built on data collected in previous efforts. The Center for Financial Security (CFS) and Asset Funders Network (AFN), with support from the Annie E. Casey Foundation, developed a survey that was delivered to philanthropic organizations, public programs, and non-profit agencies in the United States in 2015 and again in 2017; that survey was designed to identify what financial services these organizations offered. In those surveys, 453 social service organizations in the United States reported that they offered financial coaching, provided by 2,265 coaches (Lienhardt, 2017).

In 2019, AFN conducted a survey of practicing financial coaches working at the programs identified in the 2015 and 2017 surveys. Participants of the survey were largely associated with nonprofit, community-based organizations that provide financial coaching as a free or low-cost service. Survey items were developed from prior surveys, as well as feedback from coaching practitioners and other experts. The survey is available from the authors upon requests. AFN offered those who completed the survey a chance to win one of five \$50 gift cards. A total of 273 financial coaches responded, representing about a 12% response rate. Coaches responded from a total of 43 states.

Across all tables and summary statistics, we show means and standard deviations, with the statistical significance by subgroups. First, we look at coaches who report performing stand-alone coaching services—providing only financial coaching services—versus those offering coaching bundled into other programs. A bundled program may offer coaching as part of an array of services, and coaching might be co-delivered with another program. About three-quarters of the coaches in the survey (204 coaches) reported that they deliver coaching as part of a bundled model. Next, we

look at financial coaches who report using group coaching for at least some clients; about 36% of respondents, or 98 coaches, fall into this category. Group sessions allow a coach to serve a larger number of clients, and participants may benefit from peer interactions. The last category we explore is coaches who serve a higher volume of clients, which is a signal of greater specialization. Only 29%, or 77 coaches in the survey, serve at least 20 clients per month.

We then assess the relationship between coaches' perception of outcomes and program characteristics. We begin by estimating a conditional mean of the coach responding "yes" to the question, "Based on documentation and data collected by your organization, do the majority of your organization's coaching clients see improvement in their financial situations after financial coaching?" This is a subjective measure, designed to capture coaches' perceptions. About 22% of financial coaches answered no to this question.

Using this self-reported item as a proxy for the perception of a financial coaching program being "successful," we estimate the relationship between successful programs and program characteristics using the following probit regression specification:

$$Y_i = \alpha + \beta_0 \text{Volume} + \beta_1 \text{Sessions} + \beta_2 \text{Mode} + \beta_3 \text{Training} + \beta_4 \text{Setting} + \varepsilon$$

Where the dependent variable, Y , is equal to 1 if the financial coach (i) provided an affirmative response and 0 otherwise. This question is measured only for a subset of 261 respondents who reported tracking at least one outcome measure (12 coaches did not report tracking any measurable outcomes).

The independent variables explore what factors are related to coaches viewing coaching as effective. The coefficient β_0 captures the estimate for a variable measuring the number of clients served per month (less than 20 vs. 20 or more) and β_1 a variable measuring the number of sessions per client as reported by the coach, i . These measures provide an indication of the scale and intensity of the coaching program. Based on prior studies, we would expect coaches from larger and more intensive programs to have more success in improving client outcomes. The coefficient estimates for β_2 are based off of a vector of indicators for

the program's modes of delivery—online, group, and telephone—relative to coaching programs that only offer face-to-face services. The estimates for β_3 are based on indicators for the coach's level of training (attended one, two, or three or more trainings) relative to no training, where more training would likely mean better coaching services and more reports of success. Finally, β_4 is based on a vector of indicators for what kind of program the financial coach operates in, including employer-based, volunteer income tax assistance (VITA) program, job training program, debt/credit counseling-based, housing counseling-based, or educational setting (all relative to a stand-alone program).

All coefficient estimates are presented in exponentiated form (e^b) where values greater than 1 indicate a coach is more likely to report coaching is associated with the majority of clients "improving their financial situations." These findings are not intended to be causal, but they do offer insights into coaches' perceptions.

Results

The survey findings are organized around four central questions discussed in the prior section: (1) Who are financial coaches and what do they do? (2) What do financial coaches need to be successful? (3) What outcomes are financial coaches trying to achieve? (4) What factors are associated with success in financial coaching? The discussion refers to the tables with distributions of survey questions by the program type (stand-alone, bundled, group) and scale (20+ clients monthly), as well as other attributes from the survey analysis.

1. Who are financial coaches and what do they do?

Table 2 shows characteristics for the responding financial coaches. Financial coaches who responded to this survey tended to be women (76%) and a large share were people of color. A little more than half (53%) were white, while 22% were Black and 18% identified as Latinx. No statistically significant differences were identified across coaching program type, with the exception that stand-alone programs were more likely to have coaches who were white and programs that use group coaching were less likely to have white coaches. Financial coaching programs offering group coaching also have a higher proportion of Latinx coaches. In general, these are not large differences by scale. Research within the counseling field shows

that clients respond more positively and are less likely to drop out when they experience their counselor as being culturally competent (Hawkins & Zuiker, 2019). Overall, the coaching field has a large share of women serving as coaches and is quite diverse in terms of race.

Most financial coaches (93%) have attended a training, with an average of 1.8 trainings. Coaches working in programs that use group models and serve more clients are more likely to have attended more trainings. This finding perhaps reflects that larger-scale programs have invested more in coaches or recruited coaches with more training.

Table 2 shows that the mean financial coach in the survey served 19 clients per month, with higher volumes for those using group coaching. Only 29% of coaches served more than 20 clients per month. Among those coaches, the average client volume was 43 clients per month, with a wide dispersion of coaching volumes. The average coach reported seeing each client 4.38 times (or sessions). Coaches who saw more clients also tended to see clients more times—about two more sessions per client. The mean coach reported a coaching duration of about 7 months, with a shorter duration among coaches who reported using group coaching. These findings show that coaching clients tend to have multiple visits over an extended period, which would be expected given the focus of coaches on holding people accountable for progressing toward their goals. The variation in these data show that coaching programs vary in the intensity of services offered.

Table 2 also shows the coaches' estimates of how they use their time. On average, coaches spent 40% of their time actually coaching, although the rate was closer to 50% for coaches in stand-alone programs or with higher client volumes. Financial coaches in the survey reported that they only spent about half of their time performing financial coaching, with the remaining time used for other programs or administration.

2. What do financial coaches need to be successful?

Financial coaches in the survey responded to the question, "What are the most significant barriers for you personally in delivering financial coaching?" Respondents indicated

TABLE 2. Financial Coaching Program Characteristics

	Total	Stand alone	Bundled	Used group	20+ monthly
Coach background					
Female coach	0.76 (0.43)	0.70 (0.46)	0.79 (0.41)	0.82 (0.04)	0.82 (0.04)
White coach	0.53 (0.50)	0.64 (0.48)	0.49 (0.50)	0.42 (0.05)	0.47 (0.06)
Black coach	0.22 (0.41)	0.17 (0.38)	0.23 (0.42)	0.23 (0.04)	0.23 (0.05)
Latinx coach	0.18 (0.39)	0.12 (0.32)	0.20 (0.40)	0.3 (0.05)	0.21 (0.05)
Coaching activity					
Clients per month	19.24 (21.50)	19.25 (18.18)	19.24 (22.56)	23.81 (2.69)	43.1 (3.06)
20+ clients per month	0.29 (0.45)	0.33 (0.47)	0.27 (0.44)	0.34 (0.05)	
Sessions per client	4.38 (7.96)	4.11 (7.53)	4.47 (8.13)	5.37 (1.22)	6.84 (1.54)
Months per client	7.16 (15.92)	6.31 (13.39)	7.45 (16.72)	3.9 (.61)	6.77 (1.29)
% time coaching	4.04 (24.12)	49.75 (24.76)	36.71 (23.02)	41.91 (2.24)	49.73 (2.58)
Training					
Attended training	0.93 (0.26)	0.94 (0.24)	0.92 (0.27)	0.91 (0.03)	0.92 (0.03)
Number Trainings attended	1.78 (1.13)	1.86 (1.06)	1.76 (0.08)	2.06 (0.14)	1.97 (0.14)
Observations	273	69	204	98	77

Note. 2019 AFN Financial Coach Survey. Means, SD in parentheses. Bold = statistically significant from excluded category at 90% level or greater.

up to three items. This question was designed to elicit what practicing coaches perceive as key factors for success that are not being addressed.

One factor that can help financial coaches be more successful is access to training. About 93% of coaches reported some financial coaching-specific training. Nevertheless, about one-fifth of coaches reported that a lack of training was a barrier to their success. This finding suggests that coaches may benefit from ongoing, more advanced training programs. Lack of training was a particular issue for

coaches in higher-volume programs, where nearly one in three coaches reported that lack of training was a barrier.

Table 3, Panel A, shows that the most common barrier to coaching reported was “a lack of interest or buy-in by clients to use this service,” reported by 45% of respondents. Because financial coaching is rooted in the client’s goals, having a client who understands how coaching works and is motivated to participate is critical. These responses show that many clients who come to coaching programs may not be appropriate or prepared for a coaching approach.

TABLE 3. Financial Coaches' Perceptions of Coaching Success

	Total	Stand alone	Bundled	Used group	20+ monthly
A. Barriers					
Lack of training	0.20 (0.40)	0.16 (0.37)	0.22 (0.41)	0.22 (0.04)	0.31 (0.05)
Lack of client interest	0.45 (0.50)	0.49 (0.50)	0.44 (0.50)	0.41 (0.05)	0.42 (0.06)
Lack of time	0.34 (0.47)	0.29 (0.46)	0.36 (0.48)	0.36 (0.05)	0.27 (0.05)
Lack of resources	0.10 (0.30)	0.10 (0.30)	0.10 (0.30)	0.07 (0.03)	0.06 (0.03)
Lack of outcome measures	0.18 (0.38)	0.10 (0.30)	0.21 (0.41)	0.22 (0.04)	0.21 (0.05)
Lack of financial services	0.12 (0.33)	0.17 (0.38)	0.10 (0.30)	0.13 (0.03)	0.14 (0.04)
Lack of referrals	0.21 (0.41)	0.29 (0.46)	0.18 (0.39)	0.20 (0.04)	0.23 (0.05)
B. Would be very helpful					
Online training	0.58 (0.49)	0.58 (0.50)	0.58 (0.50)	0.56 (0.05)	0.64 (0.06)
Workshops	0.68 (0.47)	0.64 (0.48)	0.69 (0.46)	0.68 (0.05)	0.78 (0.05)
Online forums	0.36 (0.48)	0.45 (0.50)	0.33 (0.47)	0.36 (0.05)	0.48 (0.06)
Outcomes repository	0.24 (0.43)	0.22 (0.42)	0.25 (0.43)	0.30 (0.05)	0.3 (0.05)
Standardized measures	0.37 (0.48)	0.36 (0.48)	0.37 (0.48)	0.37 (0.05)	0.38 (0.06)
Standardized competencies	0.41 (0.49)	0.38 (0.49)	0.42 (0.50)	0.40 (0.05)	0.44 (0.06)
Coaching mobile app	0.54 (0.50)	0.57 (0.50)	0.53 (0.50)	0.59 (0.05)	0.61 (0.06)
Observations	273	69	204	98	77

Note. 2019 AFN Financial Coach Survey. Means, SD in parentheses. Bold = statistically significant from excluded category.

Competing demands on time was reported as a barrier by about one-third of respondents. This finding is consistent with the average coach reporting that coaching is not the majority of how they spend their time. Financial coaches based in nonprofit organizations may be pulled in multiple directions, leaving less attention for the

financial coaching program. Other issues were not commonly cited by financial coaches. A lack of outcomes measures and gaps in referral networks for clients in need of additional services were each cited by about one in five of the coaches surveyed.

Differences across stand-alone, bundled, group, and high-volume programs were either not large in magnitude or not statistically significant. Overall, the largest barrier appears to be finding clients who are interested enough to participate in multiple coaching sessions over several months; coaches appear to be struggling to find clients ready to engage with their programs.

The survey also asked, “What tools or resources would improve your ability to deliver financial coaching?” Table 3, Panel B, shows the items that coach respondents rated as being “very helpful.” Skill building—via both online training and in-person workshops—were viewed positively by the majority of respondents. Workshops were especially favored by coaches in higher-volume programs. Mobile or technology-enabled tools to facilitate coaching and, to a lesser extent, online forums for coaches were also perceived as helpful by responding coaches, especially those seeing a higher volume of clients. Coaches appear to view technology use as an opportunity to improve the field. Another theme that emerged in this area was common standards. Standardized measures, a common repository of outcomes, and standardized competencies for financial coaches were rated as being very helpful for coaching practice by between one-quarter and half of respondents.

Overall, these results indicate a need for better ways to find clients who are ready and willing to engage with financial coaching, as well as more training and support for the work of coaching.

3. What outcomes are financial coaches trying to achieve?

The central principle of financial coaching is holding clients accountable for their self-determined financial goals. Since clients have a wide range of financial goals, coaches potentially have to track a wide range of outcomes. Indeed, Table 4 shows that financial coaches in the survey reported that outcome measurement was routine. The vast majority (95%) of responding coaches report collecting data on at least one metric over the course of the coaching process, and the average coach reported tracking 5.8 outcome measures. Coaches who use group methods and who have higher-volume programs collected more outcomes measures. Nearly two-thirds (63%) of financial coaches conducted follow-up data collection, which is a signal of monitoring and accountability.

Budgeting and goal setting were by far the most common outcomes tracked, which is consistent with the goal-based behavior change that financial coaching typically focuses on. Issues related to debt (or credit) and savings behaviors were also relatively widely monitored, with each tracked by the majority of financial coaches surveyed. There were not large differences across coaching programs by approach or scale, however.

4. What factors are associated with successful financial coaching?

Importantly, Table 4 shows that 77% of coaches reported that clients experience improvements in their financial status. This is a key metric that serves as a proxy for more successful coaches and facilitates the analysis for the final question, about what factors were associated with these perceptions of success.

Table 5 shows the regression estimates for a coach reporting that the majority of clients experience improvements in their financial status after coaching. These estimates are restricted to 261 coaches who reported tracking at least one outcome. Since all coefficients are exponentiated, any value above 1 means the coach was more likely than not to report that the majority of their clients’ experience improvements in their financial status after coaching. Values below 1 mean the coach is less likely to report improvements.

Coaches who use at least some online methods and group coaching, as well as those who have attended one or more trainings (relative to no training), are more likely to report that the majority of their clients improve their financial status through coaching. Employer-based, debt/credit counseling-based, and education-based coaching programs show coefficient estimates below 1, signaling lower rates of coaches reporting positive outcomes. These findings are not statistically significant, however. Higher-volume coaches were slightly more likely to report more success. The number of sessions appears to be positively and statistically significantly related to coaches reporting that clients improve their financial status. In other words, coaches who have more sessions with clients also report more success. None of these associations are causal—financial coaches may tend to see success as more likely after training,

TABLE 4. Financial Coach Reports of Outcomes Measures Utilized

	Total	Stand alone	Bundled	Used group	20+ monthly
Collect post-service feedback	0.63 (0.48)	0.65 (0.48)	0.63 (0.48)	0.68 (0.05)	0.69 (0.05)
No. of outcomes tracked	5.82 (2.80)	5.48 (2.83)	5.93 (2.79)	6.62 (0.29)	6.17 (0.31)
Track bill payment	0.39 (0.49)	0.35 (0.48)	0.40 (0.49)	0.45 (0.05)	0.32 (0.05)
Track budgeting	0.79 (0.41)	0.71 (0.46)	0.81 (0.39)	0.87 (0.03)	0.82 (0.04)
Track confidence	0.54 (0.50)	0.64 (0.48)	0.50 (0.50)	0.62 (0.05)	0.55 (0.06)
Track goals	0.78 (0.42)	0.80 (0.40)	0.77 (0.42)	0.81 (0.04)	0.68 (0.05)
Track credit	0.69 (0.46)	0.64 (0.48)	0.71 (0.45)	0.78 (0.04)	0.81 (0.05)
Track debt	0.68 (0.47)	0.65 (0.48)	0.68 (0.47)	0.74 (0.04)	0.7 (0.05)
Track income	0.42 (0.49)	0.32 (0.47)	0.45 (0.50)	0.56 (0.05)	0.53 (0.06)
Track net worth	0.31 (0.46)	0.27 (0.45)	0.32 (0.47)	0.36 (0.05)	0.38 (0.06)
Track savings	0.64 (0.48)	0.56 (0.50)	0.66 (0.47)	0.76 (0.04)	0.68 (0.05)
Track financial capability scale	0.20 (0.40)	0.17 (0.38)	0.21 (0.41)	0.22 (0.04)	0.23 (0.05)
Track other	0.32 (0.47)	0.33 (0.48)	0.32 (0.47)	0.35 (0.05)	0.39 (0.06)
Majority of clients show improvements	0.77 (0.42)	0.82 (0.39)	0.76 (0.43)	0.84 (0.04)	0.83 (0.04)
Observations	273	69	204	98	77

Note. 2019 AFN Financial Coach Survey. Means, SD in parentheses. Bold = statistically significant from excluded category at 90% level or greater.

for example, or see more improvements because they have more contacts with clients. Still, these patterns are indicative that different models of coaching may produce different client experiences and outcomes. Coaches who use online and group modes, as well as those who have more training, are more likely to perceive that their financial coaching work leads to improvements among their clients.

Discussions, Limitations, and Implications

Discussions

Financial coaching is a field in development, and standardization in service delivery has not yet been achieved. While the field needs flexibility to grow, the wide variation in coaching practice and models may result in uneven results or poor-quality services that are negatively perceived. Lander (2018) attests that the financial counseling field would

TABLE 5. Probit Estimates of Coaches' Report of Improved Financial Outcomes

	Majority of clients show improvements
20+ clients per month	1.068 (.230)
Sessions per client	1.093*** (.035)
Mode: Online	1.696** (.376)
Mode: Group	1.577** (.337)
Mode: Telephone	1.145 (.237)
1 training	2.352** (.946)
2 trainings	3.197*** (1.332)
3 or more trainings	2.729** (1.180)
Employer-based	.719 (.219)
Income tax-based	.963 (.326)
Job training-based	1.402 (.400)
Debt/credit counseling-based	.849 (.240)
Housing counseling-based	1.219 (.326)
Education-based	.889 (.306)
Mean	.778
<i>SD</i>	.417
<i>N</i>	261
<i>L1</i>	-121.0
Pseudo <i>R</i> ²	0.125

Note. 2019 AFN Financial Coach Survey. Probit Regression estimates. Exponentiated coefficients. *SD* in parentheses. ***p*<.05 . ****p*<.01.

benefit from standard outcomes, transparency in reporting, and consistent training for counselors. This standardization would provide clients and funders the information needed to make informed decisions.

This field survey identifies important elements of the state of the financial coaching field, including who financial coaches are, what they need to be successful, what outcomes they are trying to achieve, and what factors are associated with success

for clients. Beginning to answer these questions can provide a critical step toward more rigorous standards of practice, which may facilitate greater consistency across coaching programs. Additionally, the survey provides some early indicators of program characteristics associated with better client outcomes and program success, which can guide the direction of research and policy at a key time in the field's development and a crucial moment in the nation's broader financial picture.

Limitations

Although research on financial coaching is still developing, the existing literature suggests that financial coaching can help people achieve their personal financial goals. But national standards for service delivery and training are needed to boost the impact of financial coaching. Our data indicate some of the program characteristics that may be associated with better outcomes. For instance, coaches having more client sessions and using some online methods for engagement were more likely to self-report greater client success. Coaches who attended trainings also reported stronger client progress. These findings are not causal; nor are they sufficient in themselves to support development of standards or benchmarks. More evidence is needed to refine coaching benchmarks for number and frequency of sessions and identify the most effective modes of engagement.

Further research needs to analyze coaching techniques, including the frameworks, principles, and communication skills being used by coaches. Controlled studies examining coaching techniques or skills are needed to establish a research-informed foundation for professional development of coach practitioners and creation of financial coaching standards.

Our survey focuses on factors associated with coaches' perception of their clients' success, but factors that lead to client engagement with and retention in coaching also need examination. Hajat et al.' (2020) pilot study found that financial well-being and income level did not affect financial coaching take-up, for example. Further research on the interplay between client characteristics, program design, and the effect of incentives on client engagement and retention in coaching programs could lead to increased efficiencies in the field of financial coaching.

Implications for Practice and Policy

Financial coaching is still emerging, and financial coaches have a wide range of training. In part, the lack of standard training is because the field is new, and research has not yet differentiated the quality and effectiveness of coaches based on their qualifications or approaches. Benchmarks of coaching proficiency, based on existing evidence, would provide an opportunity to standardize professional development for financial coaches and establish effective principles for client engagement. More rigorous standards of practice may also help to reduce discrepancies across coaching programs. This study provides a preliminary step; more data, gathered from a variety of programs across the field, will be important.

Financial coaching programs could be enhanced by integrating more technology into services, and particularly mobile technologies. The 2020 global pandemic shifted many services to virtual modes of delivery and increased the use of technology for service provision. Financial coaching may be well suited to this transition.

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