Rachael DeLeon

00:05

Hey Brandy, nice to see you.

Dr. Brandy Baxter:

00:11

Likewise. You know, as I was looking at who our guests will be today, it just made me excited that we always get a privilege of connecting with some really cool people. And today's guest, Lynn McCann, she is a financial counselor, educator, and trainer who's passionate about helping people understand not just what they do with their money, but why they do it. She has a master's in family financial planning and currently serves as a financial counselor with Gamfin. She's a financial coach with Dow Janes and an independent trainer for AFCPE. She's all over the place. I love it. She's also the founder of Financial Wellness for All and Mamonomics, where she brings together behavioral finance, financial therapy principles, and practical money strategies to help people create lasting financial change. She's currently developing the hidden budget framework. Cannot wait to hear about that, which looks at emotional and psychological factors that can influence the way we make our financial decisions. Lynn, thank you so much for joining us today. We're looking forward to our conversation with you.

Lynn McHann:

01:23

Yes, I'm so excited to be here with you all. And yeah, just yeah, let's get to the questions. Come on, bring it on.

Rachael DeLeon:

01:31

I love it. Well, Lynn, we're just gonna jump right in then. You have quite the bio. And uh anytime we have an opportunity to talk about the behavioral sides of money, you know, what that is something we're always interested in deep diving into. And so your work sits at the intersection of financial counseling, financial trauma, and behavior change. How do emotional experiences and past financial trauma influence the ways that individuals engage with finances?

Lynn McHann:

02:02

So when we're looking at, you know, people and why they do what they do, right? So we're creating budgets for them as financial counselors or um financial coaches. And a lot of times, you know, they know what to do. We tell them what to do, but they don't do it. And so for us as coaches and counselors, it's really frustrating. You just want to say, stop it, just do it, you know, stop those bad habits. But what really is there is what lies beneath, and that's why they're doing those behaviors. And so I got into this um really because I was seeing clients um really across the board and all of the things that you know I counsel on having these same issues. It's like they know what to do, they can repeat it back to me. We can create these beautiful spreadsheets and numbers, but then in the end, they don't do it. And so they're not any better off financially than they were before. And so I really wanted to find out why, why that was, and that led me down kind of the rabbit hole of looking at what you know, what causes this. And it's really, you know, it can be trauma, but it can be something, you know, as simple as, you know, it's a behavior that is serving a purpose for them. And so finding that out. And so that's really kind of where where my work it goes with clients is looking at, you know, the why behind things.

Dr. Brandy Baxter:

03:31

You know, I like Lynn how you connected it to some things that we see as like they're not responding, they're not doing the things. There's a a purpose to that why and it's

serving some kind of a purpose for them. Right. And so a lot of times clients will experience avoidance or shame. But as a financial professional, like, how can we build trust with our clients so that they feel safe in the environment and they can really just have honest conversations with us about their circumstances?

Lynn McHann:

04:03

Right. So it's really making the client feel understood before we offer any instruction. And so when I start out my any of my uh sessions, um, no matter if I know the person's background um or I don't, I'm I want them to tell me their story. Like what brought you here? What brought you to me? What's that story look like? It may go back all the way to childhood that they want to tell me. It may go back, you know, a few years there where they're dealing with a divorce or bankruptcy or some other financial uh trauma that's happened to them, but it gives me the insight of where they're coming from and it makes them feel like they've been heard and that they feel understood. And so that builds the trust in order to get to those kind of tougher conversations of why they're doing what they're doing. And a lot of times they don't know why they're doing it. So it takes some digging on both parts.

Rachael DeLeon:

05:02

No, I think it's it's so important to sort of set that stage when you're meeting with a client and center them first before you start introducing all of the pieces to change.

Lynn McHann:

05:12

Right. I mean, we could be like totally mathematically correct in their financial plan, but we still um we're giving it to them and it's it's something that can still be behaviorally impossible, is what I I kind of equate it to. And so finding out why we need to or what

we need to change in that behavior in order to make that financial plan work is where I try to get them to be.

Dr. Brandy Baxter:

05:40

You know, Lenny, you were talking about behavior and just kind of helping them see where they are. One behavior that often doesn't serve our clients is when they are doing things that may be harmful for them. I'm thinking about, you know, spending all their money on gambling or other type of practices that aren't serving them well. What can a counselor do in a situation like that to help a client who's maybe going through a recovery process? How can they partner with them to work with something that may even require addiction treatment?

Lynn McHann:

06:14

Right. And so that's the thing that I get that question a lot, especially from financial coaches who are like, I'm not a counselor, I don't want to be a counselor, I don't want to get into that lane. And we do have to be mindful of staying in our lane of what we're doing financially. And so I always say curiosity um is not therapy. So asking their the questions is not therapy. You're just getting the information, and if you can keep it on that track, it's something that you know you're not gonna really stray from, but also having in your back pocket people you can refer to. So creating those relationships with therapists that help in if you're in the genre of gambling in that uh genre, if you're in, you know, other areas, um, having those connections is super important as well.

Rachael DeLeon:

07:06

Lynn, I'm curious how can professionals continue to experience empathy and evident space counseling skills while also maintaining boundaries? Is it does it just go back to

curiosity or do you have advice around, you know, how you maintain those boundaries and stay in and stay in that lane that is financial counseling or financial planning?

Lynn McHann:

07:29

Right. So, you know, the the empathy is is kind of the easy one. It's just making sure they're heard, you know, making sure that, you know, you're present in the conversation, you're using that active listening, um, or even, you know, reflective listening with them. And but always bringing it back to kind of the financial aspects of it. So in the beginning of every appointment, as well as getting to know them and their story, I always ask them, what are your financial pain points? Can you give me two of them, those things that are keeping you up at night? And that will give you a base of where to start um with them. Because if you can have them walk away feeling like you've done, you know, something to where they feel a little bit relief coming out of it, you know, that's a win in in my, you know, um in my world, that's a win. But it's something that, you know, once you have those little tidbits, you can build on those and kind of keep bringing that conversation back to those. Um, you know, and also knowing that, you know, there's people that struggle one with opening up, two, they've got other, um, I work a lot with neurodivergent uh clients that, you know, are all over the place. And so kind of centering them back in is is is really important. And sometimes it just can't be done in an appointment. They're just often running down a rabbit hole. And no matter how much you you try to bring them back in, it's tough. So what I do in those situations is I send them away with a little bit of homework. Like, think about like the top three things financially that, you know, again, would help you sleep better at night and bring those to our next meeting. So you're really getting them to focus on where you're at and what you're working on. And I noticed after doing that, even if the first meeting is totally off the rails, the next one tends to be a little bit better on track and even more so after that. But it's really again getting to know your clients and not just kind of manufacturing spreadsheets and sending them out the door.

Dr. Brandy Baxter:

09:36

That's really good. You know, Lynn, just kind of listening to your approach of client first and the importance of getting to know them. It got me to thinking like, what about clients who have had some really significant financial challenges, debt, bankruptcy, major life transitions. What are some things that financial counselors can do to kind of help support them in that rebuilding stage?

Lynn McHann:

10:02

Yeah. So again, it's being um empathetic, understanding the story. Um, I, you know, I talk to them about them not being alone in that type of situation, that, you know, I have seen it before. I will even sometimes bring in my own personal background because I've had my own financial challenges and issues, and I'll let them know that. And that that helps them feel like I am not like up here judging them as the expert, but I've I've been through it, I've walked in those shoes, and I do understand the stress that it causes, and that helps kind of open the doors. If you haven't experienced that though, as a counselor, just making sure that they they feel heard and then working on the plan. Again, it's all starts in the same thing. We all we want them all to have a great foundation. You know, they need to cover their basic expenses, have a little bit set aside, and then working on what those bigger things are, if it's bankruptcy, if it's rebuilding credit, those sorts of things. So just laying the foundation, but also letting them know this is so we can work on the bigger issues and let it, if you let them know what the plan is, they're more likely to follow along with you. Cause I've had some clients, you know, talking with them say, you know, I've met with other people, and the issue is they just want to give me, you know, a budget or they want to do this. And that's not my stress. My stress is that my credit sucks and I can't get an apartment, you know, and and so acknowledging that, but letting them know the why behind it. And I think that's again, the why is the big thing.

Rachael DeLeon:

11:43

Yeah, I love that. And so often money is, you know, the the stress isn't coming from whether or not you have the budget. It's coming from those real life scenarios and helping them understand how that stress is really rooted, where it's really rooted, and tying it back to what they value and their goals. Um, Lynn, I'm curious. I I assume you also work with a lot of families and well, maybe even couples, and beliefs are oftentimes conflicting or different amongst individuals. How do you help couples navigate some of those pre-existing beliefs?

Lynn McHann:

12:22

Right. So a lot of times it's just getting them spoken and giving them the language to speak to each other about it and kind of being the um mediator, I guess, in sorts of, you know, well, this is what I hear Sally saying about this and why it's, you know, stressful for her. How do you feel, Greg, about, you know, and just kind of going back and forth. It is, it does take into account some therapy practices, but you're you're guiding them through a conversation instead of like being the therapist. You're not giving them answers, you're just doing that active listening that's so important and making sure that you're hearing it correctly so the other people are as well. Um, the other thing, too, I find that kind of brings couples together, because a lot of times I see a spender marries a saver, right? And that can that can cause a lot of like in the household. But I find that most of the time they come together with common goals. So what are your goals? Like what do you see as your financial goals? And those are the fun things to think about. You know, we're working on sometimes the nitty-gritty of the numbers, but really what, you know, how do you want your money to work for you? I tell them that every dollar should have a job. And what is that job? And it should be pre-assigned even before you receive those dollars so that they can work for you instead of against you. And so getting them kind of on that same page of similar goals, then moving on, how do we accomplish those? And it may, you know, it's different for for every couple and that, but making sure both sides feel heard um is important.

Dr. Brandy Baxter:

14:07

Lynn, you when I read your bio, I mentioned that you're working on a framework called the hidden budget. Yep.

Lynn McHann:

14:14

Can you tell our audience a little bit about what you're working on? Yeah. So again, it is framework, so I want to put that out there, but it's it's off the idea that we've all we all know what a visible budget is, right? That's where the money's going. But what the hidden budget is, is what need is the money behavior uh trying to meet? And and with that, um, you know, we're asking people to do changes, but we aren't necessarily giving them the tools that meet the needs like they're already meeting it with either, you know, it could be excessive saving, it could be excessive spending. Um, so what what is that? And that's really what the the hidden budget is, is what what what are we looking for that's under the surface that is being met by your habits that you currently have. And then how can we replace those so that you still feel that safety of savings or you know, the um the relief of spending, you know, because that's that's a lot of times what they're meeting with, um like aggressive or unnecessary spending. So that's really kind of the framework I'm looking at. And I decided to go down that rabbit hole, not because I want to like, you know, go for my PhD or anything like that, but really because I found that as a financial coach and counselor, a lot of things are geared towards the the academic side of things and not really kind of the application of it. And so I wanted to develop something that financial counselors and coaches could use in their practice that was really easy to understand, um, but also widen kind of how they're helping their clients.

Rachael DeLeon:

16:02

Are you collaborating with anyone on it or how have you started to get feedback?

Lynn McHann:

16:07

Is it is it from your clients or well, I'm yeah, so I've got um, so I take extensive like notes when I'm doing my my um client meetings currently. So I've been kind of compiling that and then seeing trends and working kind of from that point of view on really what I'm seeing from the clients that are in financial stress and in trauma situations and how they're dealing with it, and then how we're dealing with it together, like moving forward. And so it's really kind of a a I guess self-review of that population and then kind of diving into some other literature um, too, that's out there that's you know, other frameworks that are currently in place for, you know, um financial therapy, but this again is guided more towards kind of the counseling side of things um for those folks.

Rachael DeLeon:

17:03

That's awesome. You know, I think what's really cool about the AFCPE community is how rich and diverse they are in the work that we do. And, you know, you mentioned counselors, coaches, financial planners. And what's incredible is that when we have these ideas, there's such an opportunity to learn from the work of those around us and to really build upon that. Um, I'm curious how you see the field evolving and how uh professionals might be able to work more in tandem to better serve clients.

Lynn McHann:

17:38

Yeah, I'm excited. I mean, just how far it's come. So I started my journey back in, oh gosh, I think in 1999 when I graduated my bachelor's and um went through the basic courses for the AFC. Um and back then it was just really everyone was seeing to be pushed towards being a CFP. And there wasn't really a lot out there about like what

we do as an AFC. And I was I find I found it and I was like, oh my gosh, why isn't this in my coursework? Like, this is exactly what I want to do. And now it's broadened to where you can actually make a living just doing it, which before it was kind of cobbled together of like, I want to help people, but they don't have money to pay me and and all of that. So now I see it more going towards um partnerships with CFPs, with accountants, with those sorts of professionals that we can be a referral source for their clients that aren't, you know, they may have again the means, but they just don't have the ability to carry out the plans that their CFPs are putting forward. And the CFP doesn't, you know, take the, I don't want to say doesn't want to take the time, usually can't take the time to hand hold through kind of the process of getting them through whatever, you know, trauma they may be having or issues with their finances. So I really do see it. Um, and I'm I was so excited to see that in the last conference that there is going to be, you know, some work on partnerships with CFP. Cause I do think that really it's kind of having that network of professionals in place that can really help. And then along with financial therapists too, which is an exciting field.

Rachael DeLeon:

19:30

Yeah, definitely. That is one area that we continue to build partnerships and relationships because you're right, it's so critical, not just for the work of the profession, but also for the outcomes and the impact to the clients that we serve. And you're right. I think many years ago you didn't see it at the academic level, and now that is starting to shift. So financial planners or financial planning students have opportunities to get education in both, or to pick a path that they want to do, and learning that early on really helps them better understand the landscape and who's out there to better serve their clients. So it is, it's an exciting time. And we do have a few fun, exciting things planned for a symposium this November, too, to continue those conversations.

Lynn McHann:

20:17

Nice. Yes, I'm excited. I will be attending.

Rachael DeLeon:

20:20

So fantastic.

Dr. Brandy Baxter:

20:23

Well, Len, before we let you go, what would you like our audience to take away from today's conversation? We've covered a lot of different things, but if you had to kind of ground this discussion, what would you like for them to take away from our chat?

Lynn McHann:

20:38

I think the biggest thing is gonna be what is your clients, like what's the why? What's the why behind what's going on? And then also what I said before, like the curiosity does not equal therapy. So be curious, ask questions, get to know them. Those would be the two top things I would say I'd like for the audience to take away. If anybody is interested in connecting with you, where would you have them reach out? Sure. Um, just it's pretty easy. Lynn at mominomics.com.

Dr. Brandy Baxter:

21:10

Okay, Rachael, talking with Lynn today was such a great reminder of why it is important for us to really start our engagement with the client first. I just loved how she, you know, talked about the importance of understanding where the client is, creating that safe space. And her comment about curiosity was so valuable.

Rachael DeLeon:

21:33

Yeah, that is the word that really stuck with me. Anybody can lead from a place of curiosity, whether that's curiosity of what your client is going through, whether that's curiosity of how to apply what you're learning to advance the field, I feel like that is a word that describes Lynn to a T. She is curious and she's using that curiosity to really advance the work of our space and very excited to continue to learn more about her framework. I think, you know, I that's what I love most about our community is that with every client interaction, not only are they making impact in day-to-day lives, but they're taking that and they're exploring it with others in the space to continue to grow and make more impact and to help others do that as well. And so that feeling of abundance and sharing and curiosity is something I know we're really excited about, especially as we approach symposium season this November.

Dr. Brandy Baxter:

22:29

Yes, indeed. And if you're listening or watching our show today and you're curious about how you can stay up to date on all of this amazing, great content that we receive from our guests, we invite you to like or subscribe to our channel so that you'll be the first to know when we have new content available.

Rachael DeLeon:

22:46

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