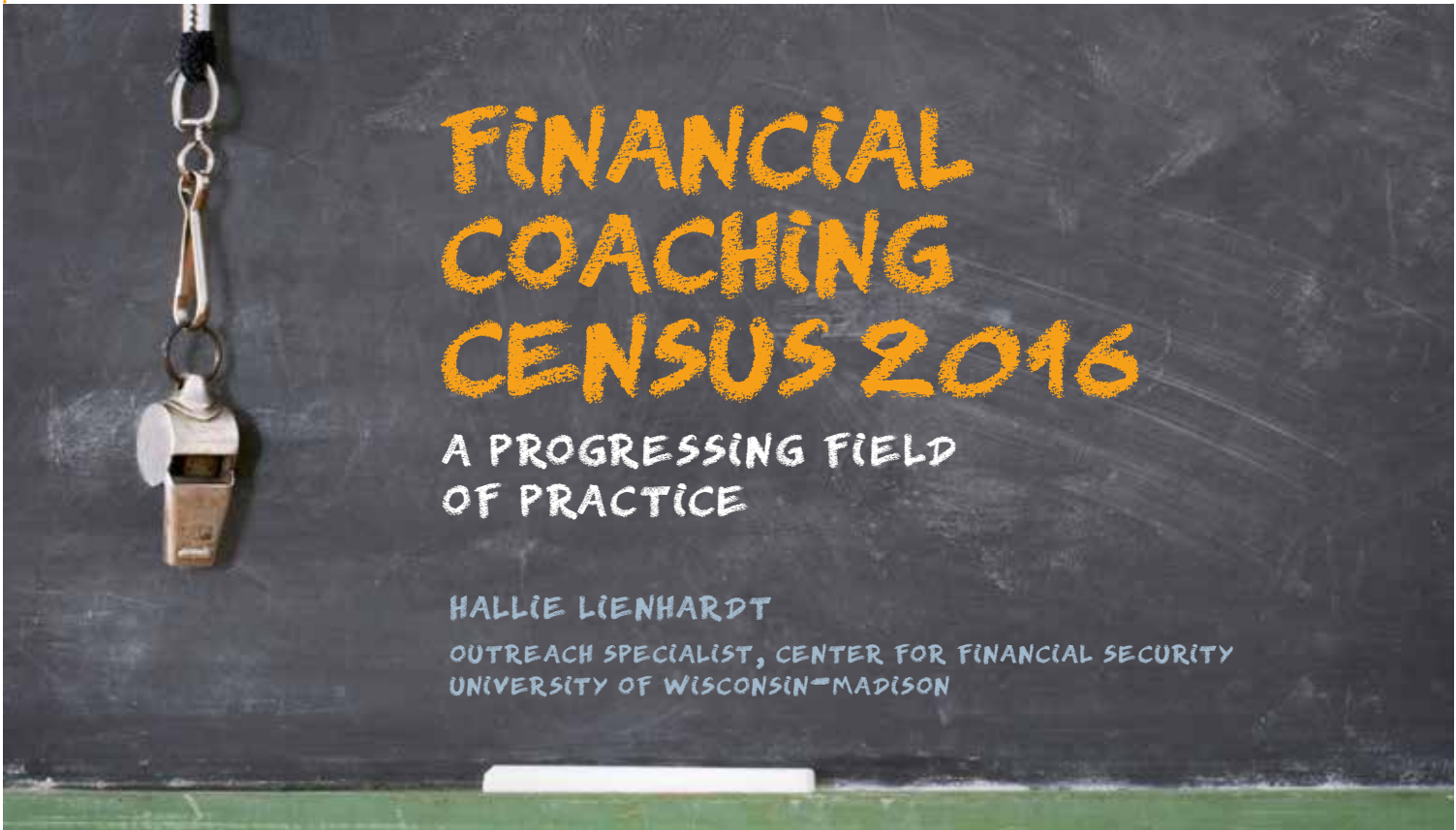




Asset Funders Network



FINANCIAL COACHING CENSUS 2016

A PROGRESSING FIELD OF PRACTICE

HALLIE LIENHARDT

OUTREACH SPECIALIST, CENTER FOR FINANCIAL SECURITY
UNIVERSITY OF WISCONSIN-MADISON

The field of financial coaching has continued to advance over the last decade, with increasing support as a means to bring positive financial change to individuals and families. With a growing body of research and evidence backing the success of coaching, as well as an expanding community of funders, researchers, organizations, and practitioners committed to the development of the field, the progress of financial coaching has been a dynamic collective effort. In view of this increasing size and evolving scope of the field, endeavors to continually evaluate this shifting landscape are imperative for the fidelity, strength, and momentum of the practice of financial coaching.

The Center for Financial Security (CFS) and Asset Funders Network (AFN), with inaugu-

ral support from the Annie E. Casey Foundation, developed the Financial Coaching Census (hereafter referred to as the Coaching Census) in fall 2015 in order to capture the size, character, and scope of the field. The first-ever Coaching Census was met with enthusiasm by the financial coaching field, who were eager to participate and to learn from the valuable findings. Motivated by a continued demand for knowledge of the field's growth and a persisting need to stay attentive to a changing field, the second year of the Financial Coaching Census was launched in fall 2016, with support from a broader group of funders including JPMorgan Chase & Co, MetLife Foundation, United Way Worldwide, Wells Fargo Foundation, and the Annie E. Casey Foundation.

WHO PARTICIPATED IN YEAR TWO OF THE COACHING CENSUS?

A total of 736 responses were recorded by individuals from 483 unique organizations (30 funding organizations and 453 social service organizations), located in 316 cities representing 48 different states, plus Washington D.C. and Puerto Rico. Results showed that 58% of respondents identified as financial coaches, 35% as program managers overseeing coaching programs, and 7% as funders of financial coaching.



KEY FINDINGS FROM THE 2016 COACHING CENSUS INCLUDE:

WHAT IS THE ESTIMATED SIZE OF THE FIELD?

Based on respondent averages, **the census data captures at least 2,265 individuals delivering financial coaching to approximately 18,120 clients per month through the 453 coaching organizations that participated in the Coaching Census.** Respondents identified that most organizations have a median of four paid staff members delivering coaching who tend to see approximately 15 clients per month. Survey respondents report that the average client meets with a financial coach for a median of three coaching sessions, and coaches reported that they spend approximately 40% of their work-week coaching clients and 20% of their work-week providing other direct client services.

HOW IS COACHING BEING DELIVERED?

The majority of funders, managers, and coaches indicated that **financial coaching is being delivered as bundled or integrated with other services.** However, almost a quarter of all respondent tracks characterized their funded or delivered financial coaching as the application of financial coaching techniques or skills to other direct client services, such as counseling or case management. Funders, managers, and coaches all cited in-person coaching as the most widely used method of meeting with clients.

HOW ARE COACHES BEING TRAINED?

Managers and coaches indicated that **the most utilized financial coaching training is NeighborWorks America.** Funders specified that they are most often funding “other,” including internal or partner organization trainings.

DO STAKEHOLDERS FIND FINANCIAL COACHING COACHING TO BE AN EFFECTIVE INTERVENTION?

The vast majority of funders, managers, and coaches believe that financial coaching improves their clients’ financial situations. Coaches cited clients’ personal financial goals as the most tracked indicator to help understand individual client progress or success, while managers and funders identified savings and credit as the main financial indicators tracked.

WHAT CHALLENGES AND RESOURCES WERE IDENTIFIED?

All three tracks noted that client engagement or retention was a challenge in delivering or funding financial coaching, and **the most highly rated resource by funders, managers, and coaches was more in-person trainings** and professional development opportunities.

WHAT IMPORTANT CHANGES OCCURRED BETWEEN THE FIRST AND SECOND YEAR OF THE COACHING CENSUS?

Several notable shifts in respondent answers occurred between the first and second year. **Funders’ responses in year two reflect that they began funding more coaching trainings.** Managers cited NeighborWorks America as the most utilized training, a departure from the first year responses indicating that “other,” including internal or partner organization trainings, were most widely utilized by their organizations. **Coaches showed a significant positive shift in their belief that coaching improves their clients’ financial situations** and fewer coaches felt uncertain about the approach.

OPPORTUNITIES FOR ACTION AND NEXT STEPS

The Coaching Census provides insight into several areas where the field has an opportunity to innovate and progress together. Funders play an important role in driving the direction and focus of the field through their valuable support and responsiveness to the changing needs of stakeholders. Targeted research and evaluation, development of client-driven engagement and retention strategies, and support for training and professional development opportunities are all recommendations that emerged from the findings of the Coaching Census. With unified and strategic efforts, funders can support an evolving and growing field of practice that facilitates greater financial capability and economic success among targeted populations and communities.

CONCLUSION

The 2016 Financial Coaching Census provides increased clarity into the size, scope, and character of the field of financial coaching. The second year of the Coaching Census also captures the progress of the coaching field in just one year's time. The increased participation, demonstrated interest, and growing support for this yearly measurement of the field's development indicates that the appetite for financial coaching is strong. For the last several years, the Center for Financial Security (CFS) and Asset Funders Network (AFN), with support from the Annie E. Casey Foundation, have collaborated to clearly define financial coaching, guide research, offer training opportunities, and introduce resources and tools to stakeholders and practitioners in the field of financial coaching. The Coaching Census has already played a key role in informing efforts and guiding collaborative work in the last year. These valuable contributions provided by the Financial Coaching Census will continue moving the field forward with yearly insights into the state of the financial coaching field.

DEVELOPMENT AND SUPPORT FOR THIS
PUBLICATION WAS PROVIDED BY



JPMORGAN CHASE & CO.

