Exploring Individual and Group Financial Coaching for Building Financial Capability

Ana C. Silva[a], Allison E. Seitchik[b], and Jane D. Parent[c]

This article summarizes a field-based experiment exploring an individual and small-group financial coaching intervention. Both types of coaching programs had the same goal: To develop clients' financial capability through a series of planned meetings focusing on client driven goals. Results indicated clients who were coached either individually or in groups demonstrated increases in financial knowledge, gains in confidence, reductions in stress, and positive changes in behavior. The findings provide support for coaching as an intervention for developing financial capability and suggests group coaching as an alternative for reaching more clients and spreading financial capability more widely in a cost-effective way.

Keywords: behavior change, financial capability, financial coaching, group coaching

While traditional coaching efforts have been studied for ages, the financial coaching field is a relatively new endeavor for many foundations, financial institutions, and nonprofit partnerships (Collins et al., 2007). Much of the literature on financial coaching draws from coaching psychology theories and positive psychology (e.g., Collins & O'Rourke, 2012). Mangan (2010) defines financial coaching as anchored in behavioral change, client directed, and aimed at empowering clients by making them the decision maker. Financial coaches focus on action planning and reinforcing self-control (e.g., seeking increases in financial confidence, knowledge, and behaviors while reducing the stress that surrounds one's finances) rather than alternatives such as financial education or counseling which provides prescriptive information and advice (Financial coaching: Review of existing research, 2015).

Developing financial capability and changing financial behaviors can be addressed in various ways. The literature distinguishes three predominant methods for reaching varying populations. First, financial education is generally understood to be coursework offered in classroom setting teaching concepts such as those outlined in the Financial Practices Index: Cash-flow management, credit management, savings, and investment practices (Hilgert et al., 2003). In a large study using data from the Financial Industry Regulatory Authority, Robb and Woodyard (2011) found that although both objective and subjective financial knowledge had a positive influence on individuals' financial decisions, their subjective knowledge (confidence) was the most important factor. The authors concluded that financial education may be effective in changing behavior when the program is targeted and relevant. Mandell and Klein (2009) questioned the effectiveness of high school financial education programs and argued they had to be interactive and relevant in order to influence financial behaviors later in life. Finally, Lyons et al. (2006) examined whether financial education had a positive influence on behavior outcomes for low-income participants, and concluded that it had the greatest impact on behaviors that could be readily applied in the short run.

Second, financial counseling has been widely used for developing financial capability. Financial counseling emerged in the 1990's when many people had overdue credit card balances and later foreclosed on their home mortgages. Its current uses in the financial realm include student loan counseling as well (Lander, 2018). Financial counseling is often used for consumers that are already in crisis. Lander (2018) states: "Financial counseling plays a key role in dealing with crises, navigating processes, and mediating between parties (intra-household) as well as

[a]*Associate Professor of Finance, Accounting and Finance Department, Merrimack College, 315 Turnpike St. Ana C. Silva, North Andover, MA 01845. E-mail: silvaa@merrimack.edu*
[b]*Associate Professor, Psychology Department, Merrimack College, 315 Turnpike St., North Andover, MA 01845. E-mail: seitchika@merrimack.edu*
[c]*Professor, Management Department, Merrimack College, 315 Turnpike St., North Andover, MA 01845. E-mail: parentj@merrimack.edu*

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between creditors and borrowers. Counseling is critical when families are in trouble" (p. 164).

Thirdly, and the topic of this article, is financial coaching. While studied in many different fields, coaching is emerging in the field of personal finance (Collins & Olive, 2016). Financial coaching is defined as a collaborative solution-focused, result-orientated, systematic, and strengths-based process to facilitate the enhancement of personal financial management. Collins and O'Rourke (2012) distinguish financial coaching from both financial education and counseling in that there is always client accountability and coaches follow up with financial coaching, but follow-up is rare with both financial education and financial counseling. Another distinction is that coaching is seldom used with clients in crisis. Financial coaching is most frequently used with clients who are in relatively stable situations and over longer periods of time (Collins & O'Rourke, 2012). While financial coaching may incorporate financial education into its model (e.g., Xu, 2018), it is distinct from financial education due to components outlined above.

As financial coaching programs grow and become widespread, it is important to understand characteristics, efficacy, and challenges of different coaching methods. This study aims to add to this understanding by exploring a novel financial coaching intervention in a community engagement setting dedicated to developing clients' financial capability. We extend prior work by exploring both a one-on-one and group coaching intervention targeting the same low-income audience. We also contribute to the literature by exploring the efficacy and challenges of a program uniquely designed with university students trained as financial coaches with a curriculum that includes personal finance, coaching and cultural competences.

Conceptual Background and Literature Review

Financial Coaching

Prior studies in this field have focused on the positive changes that clients make in their financial behaviors. Most of this work uses various change theories as the research foundation. For example, the Transtheoretical Model of Change (Prochaska & DiClemente, 1983) suggests that individuals move through six stages of change in a non-linear manner. This model has been applied in numerous studies focusing on financial behavior change (e.g., Collins et al., 2007; Lyons et al., 2010; Shockey & Seiling, 2004; Tobe et al., 2021; Xiao et al., 2004). Financial coaching appears well positioned to complement, supplement, and, in some cases, replace existing strategies such as financial education and counseling. Drawing on the literature in psychology on goal intentions and self-efficacy, Collins and O'Rourke (2012) suggest that financial coaching is most critically grounded in systematically forming intentions, setting goals, and then monitoring performance over time. A close common theoretical core applicable to financial coaching draws from cognitive behavioral coaching and solution-focused coaching. Both approaches have been well documented in organizational settings, but are not yet documented in financial settings. Both approaches focus on goals and perceived self-efficacy to achieve goals (Bandura, 1969). Further, the literature on coaching generally supports the application of the approach to personal financial management.

There are several documented successes involving financial coaching. Financial coaching is found to have several positive associations with client outcomes that included goal formation, confidence, budgeting, and saving. Results from a survey administered to 178 respondents indicated that participants in a community college's program were very likely to follow and adhere to a budget (Collins & O'Rourke, 2013). Data collected from a community-based program in New York City that included a control group of non-coached clients indicated that coached participants were 17.8% more likely to have a financial goal (Collins & O'Rourke, 2012). A study conducted by the Centers for Working Families found a significant difference in savings behavior for coached clients versus non-coached clients (Collins & O'Rourke, 2012). In a very recent randomized control trial assessing the effectiveness of financial coaching, Modestino et al. (2019) found that participants receiving financial coaching were 10 percentage points more likely to have access to credit compared to the control group after 6 months. Additionally, treatment group participants had a credit score that was on average 26 points higher than control group participants after 18 months (Modestino et al., 2019).

Another recent randomized control trial studied financial coaching programs in different cities (Theodos et al., 2018). With large numbers of participants at two sites (96 and 124 respectively) and the use of a control group, the authors found that financial coaching had significant impacts on savings deposits, total account balances, and reductions in debt and credit utilization rates (Theodos et al., 2018). Finally, a recent quasi-experiment analyzing a Family Self-Sufficiency program with one-on-one coaching required for participation found that participants showed gains in household earnings, increases in credit scores, successes in paying down credit card debt, and reductions in welfare income (Geyer et al., 2019).

Group Financial Coaching

While group financial coaching is relatively new, group interventions have been successfully used in many other disciplines. Group counseling has been shown to be a successful treatment for a variety of mental health concerns such as depression (Locke et al., 2017), anxiety (Wolgensinger, 2015), substance abuse (Sokol et al., 2018), and increasing motivation (Gutierrez et al., 2018). While using group visits for treating opioid use disorders, Sokol et al. (2018) found increases in accountability and sense of community due to the fact that individuals were striving for a common goal. Collins et al. (2013) suggest that the advantages of coaching in a group setting offer potential benefits that should be explored further. Additionally, a recent study by Zeamer and Estey (2021) suggests that clients prefer couples over individual financial coaching, with females, older individuals, and those with dependents being more likely to choose couples coaching. This all suggests that group coaching should be explored in greater detail.

A group support system could potentially benefit clients seeking to develop their financial capability. Social support refers to the availability of another individual to turn to for information, affection, comfort, encouragement, or reassurance (Wanberg & Banas, 2000). There is much empirical evidence that supports the notion that social support is positively related to change and adjustment to new situations. In this context, research has shown that the availability of social support enhances an individual's adjustment to a variety of stressors (Terry et al., 1996). The opportunity to hear and identify with others' goals can bring a group together and offer opportunities to jointly discuss more effective ways of dealing with knotty issues such as those associated with one's finances (Kets de Vries, 2015).

Additionally, group coaching programs may help reduce potential costs for financially constrained organizations. The cost effectiveness of group interventions can be found in the cognitive behavioral therapy (CBT) field. In a study of individual versus group CBT interventions of women seeking treatment for alcohol use disorders, it was found that group CBT was more cost effective both in the short run and the long run for improving outcomes for patients (Olmstead et al., 2019).

Even though there may be group benefits, relatively little is known about the effectiveness of group-based programs for developing clients' financial capability. Peeters et al. (2018) offer theoretical evidence that points to the potential positive effects of group-based programs and suggest that groups provide added benefits of recognition and peer support.

There are, however, potential downsides to group coaching. According to Ward (2008), larger groups might become too complex, and clients might be hesitant to share personal details if the group is too large. Group settings may take on a life of their own as suggested in the team learning literature (Senge, 2006). Sometimes the team itself takes precedence over the individual. With group coaching, group goals may develop as a result of the group process. This in turn may influence clients' individual goals such that clients might adapt their financial goals in order for the group to succeed (e.g., goal contagion; Aarts et al., 2004). An additional limitation of a group approach is having less time to attend to individual client needs (Shelton et al., 2019). In a recent study exploring the effectiveness of group financial therapy, Shelton et al. (2019) suggested that a group approach works best when clients have similar financial needs. In this context, group coaching may not be as effective when clients have different backgrounds and goals.

Current Study

The present study described a novel individual and group financial coaching intervention. While there is emerging evidence on the impact of financial coaching on clients' financial outcomes (Collins & O'Rourke, 2012; 2013), there is still a need to explore the influence of these interventions on different target audiences. It is also important to explore alternative program implementation approaches, especially if these approaches have the potential to increase the availability, access, and sustainability of program interventions. Group-based coaching models hold promise as a means of increasing the scale and impact of financial coaching and enhancing behavior change (Baker & O'Rourke, 2013).

The studies mentioned thus far focus first on the client, and second use some form of a one-on-one model for behavior change. We extended the work of Baker and O'Rourke (2013) and conducted a study that included both individual and group coaching. Our research is unique in that we explored both a traditional one-on-one financial coaching and group coaching intervention applied to the same target audience, a low-income population in the northeast of the United States. Overall, there is a lack of empirical studies in this field and our study will help move the field of financial coaching forward. Additionally, the potential for group coaching as an effective alternative to develop financial capability has yet to be explored in depth.

Methods

Program Description

In the fall of 2015, a mid-sized college near Boston, MA opened a Financial Capability Center to provide students with experiential service learning opportunities, advance financial inclusion and capability in the community and facilitate interdisciplinary research initiatives. The Center initially launched a financial coaching program where selected students were trained to become coaches for clients and staff of local nonprofits in the community. Most of the clients are from a city located near the college and surrounding areas. The majority of them, 85%, are Latino and belong to low- or very low-income households.

The central activity of the center is a semester-based coaching program designed to support participants to make meaningful changes in their financial behavior and well-being. To effectively deliver its services in the community, the center partners with nonprofit organizations and secondary schools. The role of community partners is to manage the recruitment of clients and provide logistic support during workshops. In addition, given the deep roots they have in the community, local partners support coaches in the acquisition and development of cultural competencies and sensitivities.

As described above, financial coaching integrates techniques from the behavioral and financial disciplines to help clients develop the ability to reach their goals. Given the interdisciplinary nature of coaching and the characteristics of the target audience, the program draws from the diverse knowledge and skill set of faculty and students from disciplines such as business, economics, psychology, social justice, education, and world language and cultures, among others. In terms of recruitment of coaches, every semester the center offers an experiential learning course that is a concentration elective for finance and management students and an open elective for students in other majors. Interested students are required to submit a resume and undergo an interview process run by center staff and former coaches. Coach selection is based on past academic performance, interpersonal skills, expressed motivations, and related experience.

The staff of the center is composed of a faculty director and graduate fellows supporting program operations and community partnerships. Senior coaches, who are a select group of former high performing coaches, can return to the center by enrolling in a directed study course, support the new coaches, and have leading roles in marketing, recruitment, and research.

To be trained as coaches, students participate in semester-long workshops led by faculty and industry experts where they develop coaching, intercultural, and personal finance competences. The coaching curriculum includes exploration, listening, and facilitation skills as well as goal setting and accountability techniques. Through demonstration activities, repeated practical experiences, and feedback, students learn to apply coaching principles and develop enhanced communication and facilitation skills. The personal finance workshops begin with a self-exploration of coaches' own values and money beliefs and the development of a personal financial plan aligned with those values. The financial curriculum focuses on interrelated personal financial behaviors (i.e., goal setting, budgeting, maximizing income, spending, saving, borrowing, and protecting). The curriculum also includes topics such as financial products and services, large purchases (the home and automobile decision), retirement planning, and the credit score and reports.

Finally, the intercultural training component is designed to develop the awareness, knowledge, and skills of coaches along the cultural competence continuum. It includes personal reflection activities to create awareness of coaches' own cultural norms and biases, the influence of culture in verbal and non-verbal communication, as well as self-awareness regarding power and privilege. The intercultural curriculum also covers civic responsibility and the application of academic knowledge and critical thinking skills to understand and address community needs.

After completing the training, students are matched based on individual characteristics and interests with local clients from the community. Student coaches offer three workshops to provide clients with financial knowledge and skills and six financial coaching sessions to help clients plan a path for realizing their self-selected goals (clients could miss one coaching session). Student coaches are supported by faculty (i.e., experts in their fields and trained to deliver interventions for vulnerable populations), center staff, financial counselors from nonprofit partners, and financial industry expert volunteers. In addition, coaches support each other at biweekly meetings, where they share insights, concerns, and lessons learned. Similarly, clients that require additional support during the semester, or after the program has ended, are referred to the non-profit partners for extended services.

The material covered in workshops include topics such as visualizing and setting goals, money beliefs, managing money, understanding and managing credit, the credit report and score, protecting money, and identity theft. The topics in the coaching sessions are based on client's needs and self-selected goals but the structure of each session follows the *COACH* model used by Neighborworks America, a leading financial coaching national organization. The model includes the following steps to support behavior change:

C: Client-driven goal setting—The coach guides the client to identify the most important aspects of her financial life and select the goal that matters most to her

O: Ongoing Assessment of Current Situation—The coach guides the client to identify where she is now with respect to her self-selected goal

A: Action Planning—With the support of the coach, the client identifies the steps she needs to take to achieve her goal

CH: Checking—The client selects mechanisms to help her keep on track, a timeframe for reaching her goal, and how to be accountable to the client-coach partnership

Goals selected during coaching depended on individual client priorities and needs. Most adult clients choose to focus on paying down debt, rebuilding credit, learning to budget, creating an emergency savings fund, or saving for a down payment on a house.

Group Coaching Pilot

In order to be able to serve more people and to take advantage of client-to-client encouragement and support, the center implemented a pilot group coaching program in the spring of 2017. The pilot consisted of assigning clients to either individual or small-group (3–4 individuals) coaching. Some groups consisted of clients that were participants at an affordable housing program at a local nonprofit. Other groups were formed with clients that were focused on credit repair. Group coaches received additional training in group dynamics and group facilitation skills. Tools and resources from Britton (2010) and Cockerham (2011) were a valuable part of the training. Readings and exercises regarding group coaching techniques were assigned and discussed in biweekly meetings. In these training meetings, group coaches had the opportunity to participate as members in a group of peers to better understand and trust the group process. Groups negotiated ground rules, brainstormed ways to co-create an environment based on trust, confidentiality and accountability, and learned to navigate challenges and conflicts that arose among group members. During the actual coaching session with the clients, a co-coach was present to provide support, observe, and take notes on group dynamics that were discussed at group coach meetings.

Participants

All clients (82% women, 70% above the age of 35, and 94% of Hispanic/Latino ethnicity) belonged to low to moderate-income households and 35% of them had household incomes below the federal poverty line. Though 91% of clients were employed either full (55%) or part time (36%), the median household income was $22,410. The full characteristics of the sample are presented in Table 1.

Clients were randomly assigned to either individual or group coaching. Once clients were placed into the group coaching condition, they were placed into groups based on similar goals. There were 41 clients in the individual coaching condition and 18 clients in the group coaching condition (six groups). The number of participants for individual and group coaching differed due to programmatic limitations (e.g., fewer number of students that felt comfortable facilitating group coaching). As explained below, we also conducted secondary analyses to look at more long-term

TABLE 1. Sample Characteristics

Variable	Percent/median
Female	82%
Age	
Below 35	30%
Above 35	70%
Hispanic/Latino	94%
Speaks English	48%
Education	
Less than high school	17%
High school degree	70%
College degree	13%
Median household size	3
Household income	
Low to moderate income	100%
Median household income	$22,410
Below federal poverty line	35%
Homeowner	15%
Employment status	
Full time	55%
Part time	36%
Unemployed/retired	9%
Credit score	
Median credit score	641
Subprime (below 620)	39%

effects. This follow-up included 31 individual coaching clients and 8 group coaching clients. Longitudinal field data has trouble with attrition and this study is no different. Consequently, differences between group and individual coaching conditions were not explored but descriptive statistics for both can be seen in the tables.

Measures

Clients completed the questionnaire with their coaches to obtain a quantitative measurement of client outcomes, as reported by the clients. Prior to starting the program, clients completed the questionnaire to determine their baseline perceived knowledge, stress, behaviors, and confidence related to their financial capability. Clients then filled out the survey at the last workshop with their coach. This allowed us to determine immediate changes in client outcomes post-program. Finally, clients completed the survey 6 months after completing the program, allowing us to determine if there were any long-term outcomes as a secondary analysis. Data was collected between the spring of 2017 and the fall of 2018.

Survey questions utilized a variety of scales including yes/no and Likert scales. All items were scored such that higher numbers meant more of that item (e.g., stress). For yes/no questions, a yes was coded as 1, a no was coded as 0, and unsure was coded as .5.

For the actual questions, participants were asked to rate their confidence with "How confident are you that you could find the money within a few days to pay for a financial emergency that costs about $1000?" and "Please rate how confident you feel in each of the following areas today with 1 being low confidence and 10 high confidence: Budgeting, debt management, saving for future, and retirement plans." Both of these items were scored on a 1–10 scale, with 1 being "low confidence" and 10 being "high confidence." Also, participants were asked, "How confident are you that you could fix a problem in your credit report?" and "How confident are you that you will reach your financial goal in the next year?", using a 1–5 scale, with 1 being "Not at all confident," and 5 being "Certain." These two items were doubled to allow consistency across confidence items.

Participants were also asked to rate their knowledge on a 1–5 scale, with 1 being "Nothing" and 5 being "A lot," "How much do you know about the following financial topics?: Loans and interest rates, credit scores and reports, banking services and fees, and investing for retirement."

Additionally, participants answered two questions about stress on a 1–10 scale, with 1 being "no stress"/"never" and 10 being "overwhelming stress"/"all the time." These questions were, "Currently, how much stress do you feel about your financial situation?" and "How often do you worry about being able to meet normal monthly living expenses?"

Finally, participants responded to various behavioral questions, such as, "Do you currently have a written budget or spending plan?" (yes/no). Participants reported, "How much do you agree with the following statement? In the last 3 months, I was able to save money." They responded on a 1–4 scale, with 1 being "Disagree a lot," 2 being "Disagree a little," 3 being "Agree a little," and 4 being "Agree a lot." They also reported, as of today, how much money they had in savings (not including any retirement savings they might have). Response options included: $0, $1–$100, $101–$500, $501–$1,000, $1,001–$2,500, more than $2,500, and don't know. We excluded 16 participants total (4 for baseline, 2 for post-program, and 10 for follow-up) for this savings question as they answered "don't know."

We combined the seven confidence items to create a confidence scale (Cronbach's alpha = .735). The four knowledge items were combined to create a knowledge scale (Cronbach's alpha = .798). To create the stress scale, the two stress/worry items were combined (Cronbach's alpha = .576). The three behavioral items included in the survey—using a budget, saved money in the last 3 months, and amount in savings—were kept separate as they did not create a reliable scale (Cronbach's alpha > .2).

Results

Post-Program Outcomes

For the main quantitative analyses on client outcomes, once the scales were created, we conducted paired-sample t-tests for changes in time (baseline vs. post-program) with a Bonferroni correction of $p = (.05/6) = .007$ for significance. See Table 2 for descriptive statistics.

Results indicated that clients reported significantly more confidence, $t\ (53) = -7.66$, $p < .001$, more financial knowledge, $t\ (52) = -8.72$, $p < .001$, and less financial stress, $t\ (50) = 6.05$, $p < .001$, post-program than at baseline. In terms of financial behaviors, participants reported they used a budget significantly more post-program than baseline, $t\ (51) = -4.01$, $p < .001$, that they had significantly more in savings, $t\ (46) = -3.46$, $p = .001$, and, finally, that they saved significantly more, $t\ (51) = -3.73$, $p < .001$.

In sum, the analyses of client outcomes indicated that both individually and group coached clients reported increases in financial confidence, knowledge, and saving and budgeting behaviors, and decreases in financial stress over the course of their program. These findings add to the emerging literature on the influence of financial coaching interventions on clients' outcomes and show how a particular program that trains college students on personal finance, coaching, and intercultural competences can be an alternative model to support low-income audiences.

Long-term Outcomes

As additional analyses, we examined the longer-term effects of the program with the 6-month follow-up data. Analyses were restricted to clients that completed all three surveys (from 36 to 40 depending on the measure). We conducted paired-sample t-tests for changes in time (baseline vs. post-program vs. follow-up) with a Bonferroni correction of $p = (.05/18) = .003$ for significance. See Table 3 for descriptive statistics.

Results indicated that clients reported significantly more financial confidence post-program than baseline, $t\ (38) = -6.36$, $p < .001$ and borderline significantly more confidence at follow-up than baseline, $t\ (38) = -3.06$, $p = .004$. They also reported similar levels of confidence post-program and at follow-up, $t\ (38) = 2.23$, $p = .032$. Thus, clients felt more financially confident at the end of the program and this remained unchanged 6 months later.

For perceived financial knowledge, clients reported significantly more knowledge post-program than baseline, $t\ (36) = -7.63$, $p < .001$, and at the follow-up than baseline, $t\ (36) = -2.74$, $p = .01$. They, however, reported borderline significantly more knowledge post-program than at follow-up, $t\ (36) = 3.12$, $p = .004$. Thus, clients perceived an increase in knowledge at the end of the program that continued to be elevated compared to baseline, but not post-program, at the 6-month follow-up.

TABLE 2. Descriptive Statistics for the Scales as a Function of Coaching and Time Condition

Scale	Baseline			Post-coaching		
	Individual *M (SD)*	Group *M (SD)*	Combined *M (SD)*	Individual *M (SD)*	Group *M (SD)*	Combined *M (SD)*
Confidence	6.07 (1.67)	5.19 (1.19)	5.81 (1.59)	7.62 (1.68)	7.22 (1.46)	7.50 (1.61)
Knowledge	2.79 (.99)	2.34 (.91)	2.66 (.98)	3.67 (.82)	3.57 (1.02)	3.64 (.87)
Stress	6.14 (2.30)	6.75 (2.35)	6.33 (2.31)	4.13 (1.78)	5.31 (2.14)	4.50 (1.95)
Save money in last 3 months	2.54 (.99)	3.33 (.82)	2.77 (1.00)	3.46 (.73)	3.20 (1.01)	3.38 (.82)
Budget	.39 (.47)	.40 (.51)	.39 (.48)	.82 (.38)	.60 (.51)	.76 (.43)
Amount in savings	3.75 (1.80)	3.53 (1.85)	3.68 (1.80)	4.41 (1.52)	4.20 (1.52)	4.34 (1.51)

TABLE 3. Descriptive Statistics for the Scales as a Function of Coaching and Time Condition

Scale	Baseline			Post-coaching			6-month follow-up		
	Individual ***M (SD)***	**Group** ***M (SD)***	**Combined** ***M (SD)***	**Individual** ***M (SD)***	**Group** ***M (SD)***	**Combined** ***M (SD)***	**Individual** ***M (SD)***	**Group** ***M (SD)***	**Combined** ***M (SD)***
Confidence	6.21 (1.73)	5.07 (1.53)	5.98 (1.73)	7.61 (1.75)	7.11 (1.43)	7.51 (1.68)	6.86 (1.75)	6.87 (1.83)	6.86 (1.74)
Knowledge	2.90 (1.00)	2.34 (1.16)	2.78 (1.04)	3.72 (.88)	3.50 (1.09)	3.67 (.92)	3.20 (1.02)	3.19 (.72)	3.20 (.96)
Stress	5.95 (2.35)	7.38 (2.01)	6.26 (2.33)	4.11 (1.87)	6.19 (2.02)	4.57 (2.07)	5.59 (2.26)	6.25 (.96)	5.74 (2.05)
Save money in last 3 months	2.60 (.93)	3.29 (.95)	2.73 (.96)	3.43 (.77)	2.86 (1.35)	3.32 (.91)	2.97 (1.16)	3.29 (.49)	3.03 (1.07)
Budget	.45 (.49)	.29 (.49)	.42 (.49)	.81 (.39)	.86 (.38)	.82 (.38)	.79 (.37)	.57 (.45)	.75 (.39)
Amount in savings	3.94 (1.82)	3.57 (2.37)	3.83 (1.95)	4.53 (1.51)	4.86 (1.68)	4.63 (1.53)	4.47 (1.74)	4.86 (1.07)	4.58 (1.56)

For financial stress, clients reported significantly less stress post-program than baseline, $t\,(35) = 5.27, p < .001$. However, they also reported borderline significantly less stress post-program than at follow-up, $t\,(35) = -3.07, p = .004$. Finally, clients reported similar stress levels at follow-up and baseline, $t\,(35) = 1.26, p = .216$. Thus, the program had a short-term, but not long-term, effect on clients' financial stress.

For budgeting behavior, clients reported they had a budget significantly more post-program than baseline, $t\,(35) = -3.70, p = .001$, and at follow-up than at baseline, $t\,(35) = -3.57, p = .001$. They also report similar budgeting behaviors at follow-up and post-program, $t\,(35) = 1.04, p = .304$. Thus, budgeting increased during the program and remained unchanged 6 months later. The other two behaviors, actual saving behavior and reported saving in the last 3 months, showed no differences between baseline and follow-up or post-program and follow-up, *p*s > .07.

In summary, clients' financial confidence, perceived knowledge, and budgeting behavior continued to remain influenced 6 months after completion of the program. Knowledge had some time decay, but the program still had a long-term effect. For confidence and budgeting behavior, the outcome remained unchanged 6 months later. The fact that clients' perceived knowledge and confidence increased during the program and remained influenced 6 months later is encouraging evidence. Research shows that subjective perceptions are important factors in determining positive financial behaviors (Courchane, 2005; Robb & Woodyard, 2011).

Regarding clients' saving behaviors (actual saving behavior and reported saving in the last 3 months), the gains achieved during the program did not remain at the 6-month follow-up. A reasonable explanation is that it is particularly difficult for our low-income clients to sustain a long-term saving outcome. Low wages, unexpected fluctuations in income and expenses, and family financial obligations are recurring challenges faced by clients. Presumably, these barriers made it even more difficult for clients to sustain savings long-term. Thus, though many clients were able to save for a period, they may have needed to deplete their savings during difficult times. Indeed, certain financial behaviors, such as budgeting, are more under the control of clients, while being able to save has strong forces outside an individual's control influencing the outcome. In fact, as will be discussed below, the particular community the program works with was exposed to an external shock immediately after the program ended that impacted their ability to save and their overall financial well-being.

An additional explanation for the mixed influence of the program on long-term behaviors is that while tracking income and expenses (i.e., budget writing) is the backbone of the program that is repeatedly practiced by all clients and discussed at each meeting, activities supporting saving behavior, though still an important part of the program, are mostly emphasized for clients that self-select saving as their main goal. Thus, these clients may have focused their efforts during the program on other related behaviors such as taking steps toward homeownership or managing debt. The focus on specific goals, self-selected by the clients, that is characteristic of a coaching program may explain, at least in part, the decay in particular behaviors that were not prioritized by all clients.

Finally, we found that the impact of the program on clients' stress level is also short term. Again, there are many external factors that contribute to financial stress for our target audience, which is under financial hardship in spite of the level of financial knowledge or confidence. Even with the proper tools and skills, clients are constantly trying to make their income work with their expenses. Additionally, clients went through a horrific extenuating circumstance related to a community event that happened between the end of the program and the 6-month follow-up. Many were displaced from their homes for months, and without the proper means to heat their homes once allowed back in. Some were unable to work due to their community not being able to function and, thus, their financial situations were severely impacted. Even though some of the behaviors did not continue long-term, Wagner (2019) suggests that the financial capabilities and education learned in this program are especially important for low-income families and have a positive impact on financial literacy scores. In other words, these behaviors could come out as being impacted later in life when needed.

Discussions, Limitations, and Implications

Discussions

This study presented a financial coaching intervention with an embedded educational component that served low-income clients from a minority community. The coaches in this program were college students that received extensive training and support from faculty, industry experts, and college and nonprofit staff.

Overall, the program benefited both individual and group coached clients. Clients started the program with a self-selected financial goal, and then reached an outcome of the program. Most clients had to work hard and make difficult sacrifices to make ends meet while pursuing their goals. Though saving was a main goal and outcome of the program, clients did not maintain their savings 6 months after the program had ended. While a major shock happened in the community that probably forced clients to use the savings built during the program, the reality is that sustaining liquid assets is a challenge for American families (U.S. Federal Reserve, 2018), and it is amplified for those with low and fluctuating incomes. A similar pattern of low-income families being able to save some amount of money but having to use the funds in the short term has been documented before (Morduch & Scheneider, 2017). Also, government policies on asset limits for public benefits represent another obstacle for vulnerable families to build long-term savings (Sherraden & McBride, 2013). In addition, low-income families hardly benefit from tax-advantaged retirement and homeownership policies that incentivize long-term savings (Woo et al., 2010). In sum, though our clients were able to set aside money for the future, their financial needs and incentives were consistent with a short-term time frame for their savings.

Even with the overall positive outcomes associated with the program, the program is not without obstacles. This program began in 2015 allowing those involved (e.g., the program director, community partners, other faculty, coaches) to notice some challenges. Clients' busy lives, hard work, and changing work hours often generate scheduling challenges for the program. In spite of frequent reminders by their coaches, clients occasionally cancel coaching sessions or miss workshops. The program was designed anticipating these changes with a modular curriculum for the workshops and on-demand logistical support for coaching sessions, such as meeting space or translation services when needed. However, scheduling changes put additional pressure on both clients and coaches since there is a required number of six meetings to complete the program by the end of the semester. In spite of these challenges, having a required number of meetings and a relatively short deadline to complete the program (i.e., a semester) may help to avoid a more frequent postponement of meetings that could lead to disengagement by clients and eventually decreased program retention. In fact, based on research on behavioral economics, a supportive and flexible program with short-term deadlines is most suitable for the vulnerable population this program serves (Mullainathan & Shafir, 2013). In this particular program, we have learned that short-term deadlines coupled with flexibility and additional program support has to be built into the program not only to achieve success for clients but also for the student coaches.

In spite of the challenges and regardless of the type of coaching, the program influenced clients' financial behaviors, confidence, and knowledge, while also decreasing stress. This shows promise for the program itself and for group coaching. The possible effect of group coaching has implications for practitioners dedicated to financial empowerment since they often have limited resources (i.e., time, staff, and funding) to support the needs of their clients. In fact, since many financial coaching models are facilitated by nonprofit organizations and volunteer coaches, the group coaching approach would have a further reach than the traditional approach. For this particular program, group coaching was more cost effective. For 20 student coaches participating each semester in the program, the total in-kind cost per client was $492 for individual coaching (each coach serving 4 clients and meeting 6 times with each), while it was $290 for group coaching (each coach serving 2 groups of 4 clients and meeting 6 times with each group). This 41% decrease in cost per client was calculated assuming an in-kind cost per hour of $14 for student coaches and additional costs for training and supporting the group coaching modality. For organizations based on more expensive professional financial coaches, as opposed to trained college students, the expected cost savings of group versus individual coaching are larger. It would be interesting to compare the costs of student coaches versus professional coaches as research already exists for both types of coaching interventions (e.g., Theodos et al., 2018; Xu, 2018). Additionally, coaching in groups may allow financial institutions, especially community banks focused on low-income households, to scale their financial capability programs. In turn, the financial health of bank's clients will ultimately benefit banks' bottom lines.

From a policy-based perspective, our study generates promising results for the potential of group financial coaching in terms of both cost-effectiveness and coaching resources. In fact, Morrison (2001) concludes from a review of several health-related areas that group and individual interventions are comparable in their effectiveness and that the efficiency of group work makes it preferable over individual interventions by reducing costs and staff deployment. In the current complex economic climate that places an increasing burden on individuals' financial decisions and behaviors, policy makers must be aware and support interventions that effectively and sustainably support consumers, especially the most financially vulnerable ones.

The design of the program under study, based on college students trained as financial coaches, has the additional benefit of addressing the financial capability needs of a population of young adults that has been particularly impacted by economic developments such as increasing tuition and student loan debt, housing costs, and low earnings growth. Additionally, participating in the program allowed students to have a "real world" experience in the personal finance field and facilitated access to internship and job opportunities in the industry. Coaches not only worked with their clients for a semester but they were also closely exposed to faculty from related disciplines as well as to financial industry and non-profit practitioners. Given the limited supply of financial services professionals needed to support the financially vulnerable and aging US population, exposing young adults to this career path while in college is an added benefit of this particular intervention. Finally, a high-impact educational practice, such as this community-based program where students apply their knowledge to challenging situations, receive frequent feedback, and reflect on their experience, is effective in promoting multiple student outcomes (Kuh, 2008). Graduating socially minded students that can engage in diverse perspectives is one avenue for institutions of higher education to fulfill their educational and civic responsibilities.

Limitations and Future Research

Both individual and group coaching interventions influenced clients' measures of perceived financial knowledge, confidence, stress, and behaviors. However, more work needs to be done on refining the quantitative measures. The behavioral measures utilize a variety of scales, making it difficult to combine and create a reliable behavioral scale. For instance, some of the behavioral questions are yes/no responses and do not allow for variability. Efforts to use reliable and valid (i.e., already established and standardized) scales for the quantitative analyses will certainly enhance future research. In addition, given the goal-oriented nature of financial coaching, behavioral measures should be tailored to the goals selected by clients as opposed to "best-practice" financial behaviors. Also, as a complement to clients' self-reported behaviors, future studies should include observational measures of clients' actions, such as taking behavioral steps towards their financial goals.

The current research focused on quantitative data. Future research could also include a qualitative inquiry into the perspective of clients in the form of unstructured interviews. Relying on clients to reflect on the meaning of their experiences will allow a more context-dependent and nuanced understanding of the influence of this program on the community it serves and a less prescriptive analysis of program outcomes. Additionally, if unstructured interviews are utilized in the future, Zeamer (2021) suggests that discourse analyses should be done on these interviews. This can allow for a deeper understanding of how the current financial coaching program assists in increasing the financial capability behaviors studied.

In terms of group financial coaching, given the potential that group interventions have to address the increasing needs of vulnerable populations, our study provides encouraging results. However, due to the small sample size, especially in group coaching and in the 6-month follow-up, more research is needed to determine if group and individual coaching do actually differ. Future research should include larger samples and additional incentive resources to increase the follow-up participation.

Implications

In spite of the limitations and the need for additional research, the results of this study suggest that both individual and group coaching are effective interventions in supporting clients' outcomes regarding financial knowledge, confidence, stress, and behaviors. As the field of financial coaching becomes increasingly recognized as a valuable service to support financial capability, this study is a step forward in exploring alternative delivery models.

The positive impact of group coaching has potentially economic implications for industry practitioners dedicated to financial capability as the analysis in this study shows a significant reduction in cost per client even with small size group of four clients. Practitioners could use this group intervention model to assist more clients with a decrease to both their inputted time and resources. Finally, the effectiveness of a financial coaching program designed with modular educational workshops and on-demand logistical support for coaching sessions suggest that program flexibility and support is imperative for client retention when dealing with vulnerable populations.

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