

Financial Coaching: Training Rubric

**Financial Coaching:
Training Rubric**

August 2017

The field of financial coaching has continued to grow over the last decade as an approach for supporting the financial capability of individuals across income levels and diverse populations. The growing demand for trained financial coaches translates into a call for more training opportunities. Yet, differentiating between training programs and choosing the one that best fits practitioner and organizational needs can be difficult. This training rubric shares seven common components of financial coaching trainings and provides insights into the value of each one. This rubric is meant to provide guidance for individuals and organizations interested in comparing and choosing the training opportunities that best suit their needs. Not all high quality training programs cover each of the seven components. Overall, this rubric can aid in the process of identifying the most important training components based on individual learning objectives and deciding on additional training or skill building opportunities as more learning or practice is desired.

Coaching Skills & Practice

A financial coach serves as a facilitator, supporting clients as they set their own goals, develop plans, and experience growth and learning. This collaborative process requires a variety of interpersonal skills and communication techniques. Some of these important skills include:

- Actively listening to what clients say in order to be aware of the deeper significance to their values, behavior patterns, and strengths, and to increase clients' self-awareness.
- Asking thought-provoking and powerful questions;
- Mirroring client language and reframing perspectives; and,
- Facilitating client goal-setting and attainment.

While many professionals may already apply some of these skills when working with individuals across a variety of settings, engaging them purposefully following a coaching philosophy and framework requires practice. A training that includes opportunities to practice coaching skills coupled with time for self-reflection and peer or trainer feedback can help coaches become more comfortable with core techniques, identify their strengths, and receive suggestions for honing their skills.

Coaching Theory

A theory-based approach is one of the defining features separating financial coaching from other types of financial interventions, such as counseling or financial education. The financial coaching approach is rooted in insights from behavioral psychology, including those from positive psychology and behavioral economics. Positive psychology informs goal formation and implementation while behavioral economics explains foundations of decision-making.

Behavioral psychology has been recognized as a primary driving mechanism for increasing goal attainment, improving self-efficacy, and altering negative habits and behaviors. Inclusion of behavioral psychology principles within financial coaching trainings is an important characteristic present in many leading financial coaching trainings. In addition to discussing the theoretical foundations of coaching, a training can teach techniques common to behavioral

Key Components of Financial Coaching Trainings

- Coaching Skills & Practice
- Coaching Theory
- Financial Foundations
- Cultural Responsiveness
- Administration
- Training Logistics
- Continued Support and Learning



strategies for addressing them is critical to increasing client engagement and the impact of coaching.

Data collection

Data collection is important for any financial coach, both for reporting to funders and monitoring the effectiveness of coaching sessions. Understanding how to effectively use data collection to support program quality improvement can include training on collecting data consistently across clients. A training can also highlight approaches to integrating data collection into coaching so the process is less burdensome on both the coach and client.

Technology skills

An understanding of available technology to support financial coaching may help coaches reach clients in new, more flexible ways. Training on client-facing technology like smartphones or online applications may present opportunities for increased access to coaching services for certain populations, such as people with disabilities or young adults. Training on technological platforms or resources for financial coaching can help a coach remain nimble and flexible to tailor financial coaching programs to the needs and interests of the individual client.

Training Logistics

Determining the most well-suited financial coaching training includes consideration of many factors pertaining to accessibility including the location, cost, and timing or duration of the training. Organizations and individuals must be aware of the factors that are most important to them. For instance, having the ability to send staff to trainings at regular intervals might be a key consideration for some, while others may find cost or location to be most salient to their decision. The influence of each of these factors will vary significantly depending on the individual and organization, but being deliberate when considering how each particular training option will fit into individual and organizational goals over time is vital.

Conclusion: Continued Support and Learning

Training and practicing to become a more effective financial coach is a continuous process requiring opportunities for ongoing skill development and learning. A trainer who checks in with past participants or has a structure in place that allows for trainee follow-up and support creates opportunities for continued learning and sharing of best practices. As a coach practices and builds competencies, opportunities to obtain input from the trainer foster continued growth. For example, a coach may submit a recorded session to a trainer for review and assessment. Some training programs may also offer opportunities for continued development of skills through online or remote programs or offer more advanced in-person training programs as a continuation to the more foundational trainings. Ultimately, any training is just a start; coaches need opportunities for continued growth along all of the dimensions outlined above.

Center for
Financial Security 

UNIVERSITY OF WISCONSIN-MADISON

Nancy Nicholas Hall

1300 Linden Drive

Madison, WI 53706

608.890.0229

Visit us on the web at

fyi.uwex.edu/financialcoaching &
cfs.wisc.edu

The University of Wisconsin-Madison Center for Financial Security (CFS) is an interdisciplinary center focusing on applied research that promotes individual and family financial security. CFS focuses on households, consumers, and personal financial decision making. CFS affiliates work collaboratively across centers, institutes, and schools throughout the US. The Annie E. Casey Foundation generously supports the Center's work on financial coaching. This work includes conducting applied research, training new coaches, and promoting coaching in Wisconsin and across the US.