



Financial coaching insights

November 29th, 2017

Welcome!

Thank you for joining the webinar on **Financial coaching insights** hosted by Prosper Canada.

The presentation will begin shortly. (Audio will begin when the presentation starts)

Technology details:

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Webinar logistics

- **Audience members have all been put on “mute”** for this webinar
- Please **share any questions you have using the “Question box”** (located in the control panel at the right side of your screen).
- **We will share webinar slides with all participants and post a recording** of the session within a few days.
- **Tweet with us** at **#prosperwebinar @prospercan**

Prosper Canada – Who we are

Founded in 1986, Prosper Canada is a national charity dedicated to expanding economic opportunity for Canadians living in poverty through program and policy innovation.

As **Canada's leading champion of financial empowerment**, we work with governments, businesses and groups to develop and promote financial policies, programs and resources that transform lives and foster the prosperity of all Canadians.

Prosper Canada's programming in financial literacy and financial coaching is part of the work of the **Canadian Centre for Financial Literacy**, co-founded and supported by **TD Bank Group**.

We help service systems and organizations in all sectors to build proven financial empowerment approaches into their businesses in ways that:

- Are **sustainable**
- Help them **achieve their goals**
- Tangibly **increase the financial well-being of the low-income people** they serve.

Today's presentation (1:00-2:30pm ET)

1. **Welcome and introduction**
2. **Financial coaching: what and why?**
3. **Our speakers:**
 - **Sheri Fata, Thunder Bay Counselling**
 - **Danny Carestia, Mpower Money Coaching program volunteer**
 - **Jose Jaime Guerrero, Family Services Greater Vancouver (FSGV)**
4. **New report: Mpower Money Coaching program pilot**
5. **Q&A**

1. Introductions: Our panel



Sheri Fata

Thunder Bay Counselling
Manager of Education and
Support Services

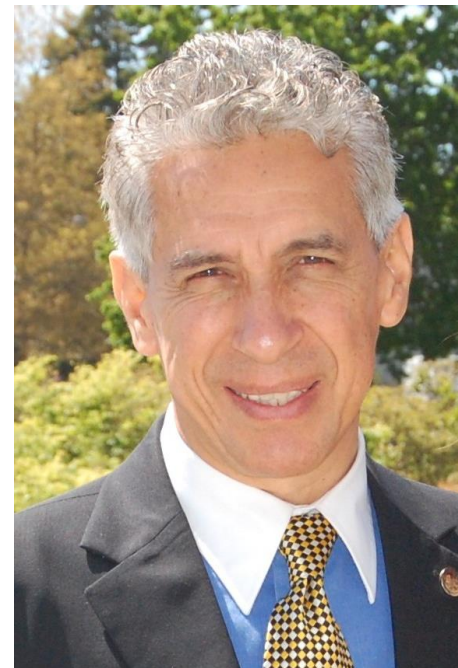
Sheri@tbaycounselling.com



Danny Carestia

Generations Family Wealth
MPower Money Coaching
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Jose Jaime Guerrero

*Family Services Greater
Vancouver (FSGV)*
Financial Counsellor

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2. What is financial coaching?

- A form of **one-on-one support** which is client-driven, aimed at fostering behaviour change
- An evidence-based **financial empowerment intervention** that helps individuals and families to adopt new financial attitudes and behaviours that lead to **improved financial well-being**.
- A financial coach acts as a **trusted and skillful guide** to help **clients set or refine financial goals** through ongoing one-on-one interactions, and setting action plans.

2. Why financial coaching?

Financial coaching or counselling can result in positive outcomes for clients:

- Improved **financial confidence, independence, and skills**
- Setting and sticking with a **budget**
- Reviewing **credit scores** and credit reports
- **Reducing expenses**
- **Reducing debt**
- **Increasing savings** and setting savings plans



Poll: Tell us about yourself

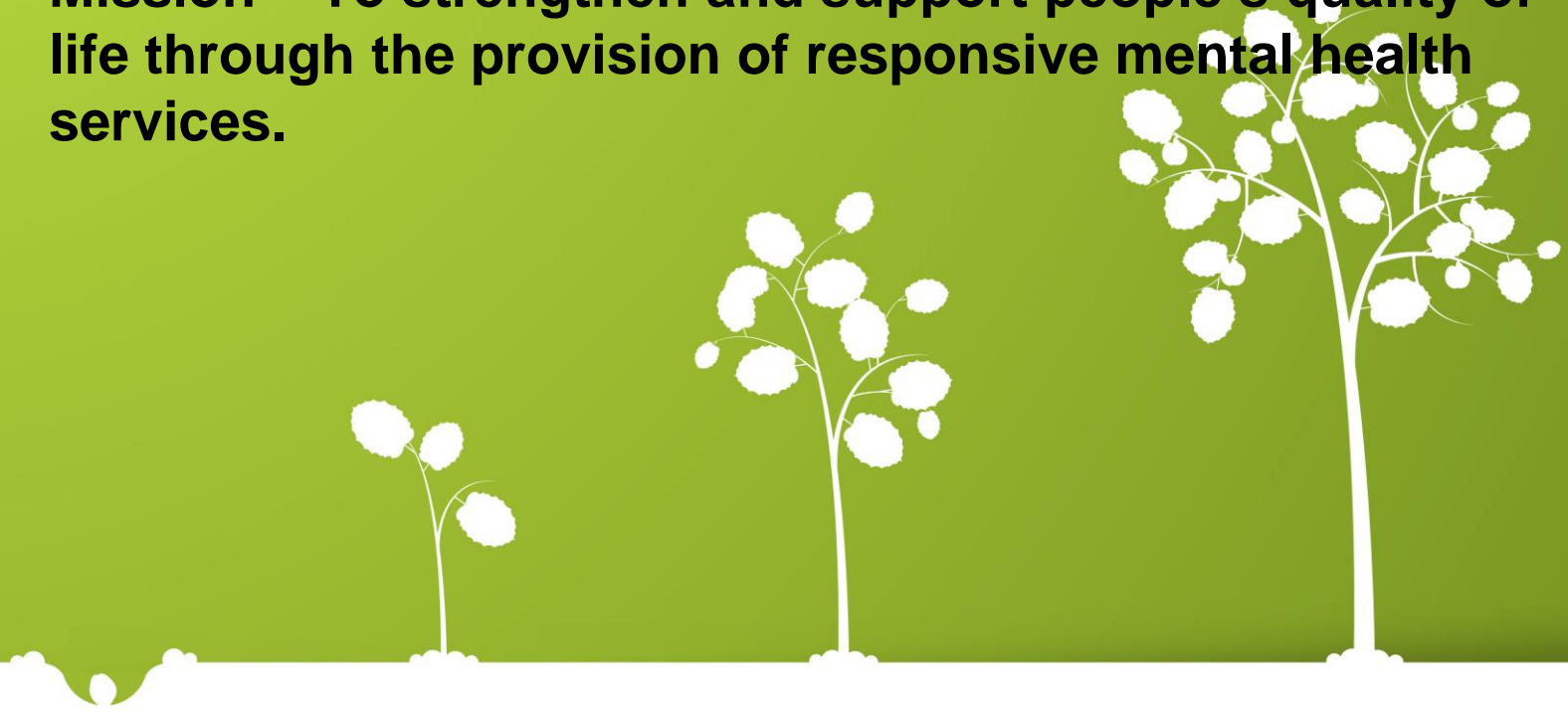
- Does your organization/agency offer financial coaching or counselling?
 - Yes
 - No
 - No, but would like to
- What type of financial coaching or counselling do you offer?
 - Staff coaches/counsellors
 - Volunteer coaches/counsellors
 - A combination of staff and volunteer

Financial Counselling



Vision and Mission

- **Vision – Enhancing quality of life by overcoming barriers and maximizing potential**
- **Mission – To strengthen and support people's quality of life through the provision of responsive mental health services.**



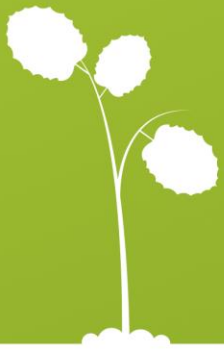
Organization and Culture

- Multi-service agency – positioned to integrate financial counselling into other social services and systems
- Individuals we serve are often vulnerable, marginalized
- Services across all programs are strength based and client centred
- Empower people to make changes they want that fit with their values
- Collaborate across services to support people to achieve their desired quality of life



History of Financial Counselling

- Thunder Bay Counselling - established in 1967
- Responding to community need, the agency initiated Credit Counselling in 1972
- Focus on credit knowledge and challenges
- Money management - impact on ability to save, use of credit, ability to repay debt
- Consumers came to identify the program as an impartial provider of information, tools and resources



Program Structure

- Combination of full time and part time Financial Counsellors (currently 2.2 FTE)
- Dedicated administrative support
- Schedules are flexible, and accommodate daytime and evening sessions
- Counsellors support all services provided by the program
- Financial Counselling Program – one-on-one counselling and coaching; spending plans and budgeting; assistance to access banking and income supports; credit counselling; financial literacy education; RESP's; linkage to volunteer tax program
- Services are free of charge



World Health Organization definition of health

“a state of complete physical, mental, and social well-being and not merely the absence of disease or infirmity”

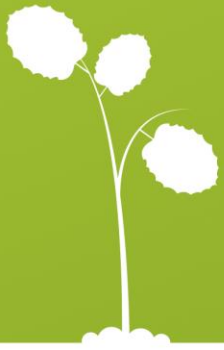
- Financial health, physical health, emotional health
- Stress, anxiety, uncertainty
- Counselling and support



One-on-One Financial Counselling Services

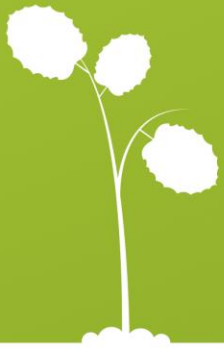
Immediate access Walk-in / Call-in

- Immediate response needed, perceived crisis
- Situation may warrant bypassing full entry and consent
- Goal focused
- Uniquely positioned to access additional support



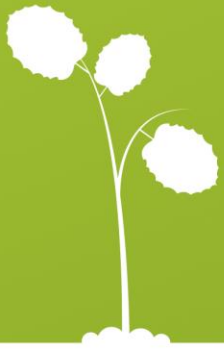
Full Session with Assessment

- Usually by appointment; accessible on a walk-in basis
- Variety of service modalities given considerations around geography, client need
- Intake – Screening; first appointment materials
- Orientation to service
- Goal focused – why are you here?
- Service planning



Service Plans

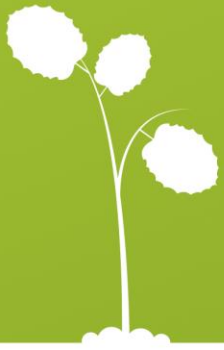
- Considerations:
 - Client led empowerment
 - Counselling vs. coaching
 - Process of change
- Single session, client initiated follow up
- Single session with ongoing coaching
- Ongoing counselling



Who do we work with?

Everyone – Our services are available to people of all ages and income levels. We work with individuals, couples and families who are looking for support in the areas of:

- Learning to budget
- Coping with significant life changes
- Trying to manage on a fixed or low income
- Paying off debt, stopping collections calls
- Understanding financial products and services



How do we know we make a difference?

- Formal pre and post surveys– 89% improvement in stress levels
- Anecdotal feedback – “This is most I have ever been able to achieve”
- Written testimonials – “I feel like I have my life back! You changed it for the better, and I will be forever grateful!!”



Thunder Bay Counselling newsletter on physical, emotional and financial well-being

- http://www.tbaycounselling.com/wp-content/uploads/2016/11/SolutionSource_Winter2017.pdf





MPower Money Coaching Program

Danny Carestia (volunteer coach)

Danny: A little about myself

- Graduated U of T, Political Science/History Specialist Program.
- Began working Toronto Social Services – 10 years
- Took Certified Financial Planning program for self interest and because I saw what a lack of financial literacy and knowledge could lead to.
- Left TSS and began career as an independent financial planner.
- Volunteer work: Coping In Tough Times, Junior Achievement, Prosper Canada.

Why I volunteered with Mpower Money Coaching

- Sense of “**giving back**”
- Grew up in a working class family – saw what working hard and doing the right things with money can achieve
- **Bring some hope** to low income families that over time, things can get better
- Prosper Canada **provided a platform** to work with low income earners

The MPower Money Coaching Program

- Objectives:
 - Test the feasibility of a financial coaching program which **mobilizes, trains, and supports professional financial advisors** to serve as **volunteer** coaches
 - Support **low-income individuals** to identify, plan for, and achieve personal financial goals
- Who was involved:
 - **Volunteer coaches** from investment industry/ financial advisor associations
 - **Clients selected** by City of Toronto Employment and Social Services (TESS)
 - Coaches screened, selected, and **trained by Prosper Canada**, oriented to the financial issues relevant to those on low incomes
 - All volunteer coaches delivered **free, unbiased, confidential** information and guidance
 - Coaches matched with up to **three clients**, in **two rounds**

Program insights

- The key elements to fostering a successful coaching relationship with low-income individuals are:
 - Building **trust**
 - Maintaining **impartiality**, confidentiality and **non-judgmental** discourse
 - Setting realistic and **attainable financial goals** or milestones even if small to start
 - Establishing **clear expectations** about the coaching program, and
 - Ensuring **participant and coach readiness** to engage in a financial coaching relationship.

Coaching approaches and reflections:

- **My approach:** Listen to the client, find out what is happening in their lives and then try and focus them on having some financial success to help build confidence
- Bring down **mental barriers** to getting ahead
- Provide **knowledge, habits** for a better day
- In cases where there is debt, provide actionable advice
- **Relieve current stress** by having clients take actionable tasks that create success and confidence
- Had to be **empathetic** to current personal stress but strong enough to keep them focused on task.
- Give clients tasks to complete – “Give a **man** a **fish** and you feed him for a day. **Teach** a **man** to **fish** and you feed him for a lifetime”

Relationship and Experience

Clients:

- Clients happy to have a **professional** provide guidance, advice and strategies
- Know they can't get this anywhere else
- **Trust and appreciation** increased once learned we were volunteers

Myself (as a coach):

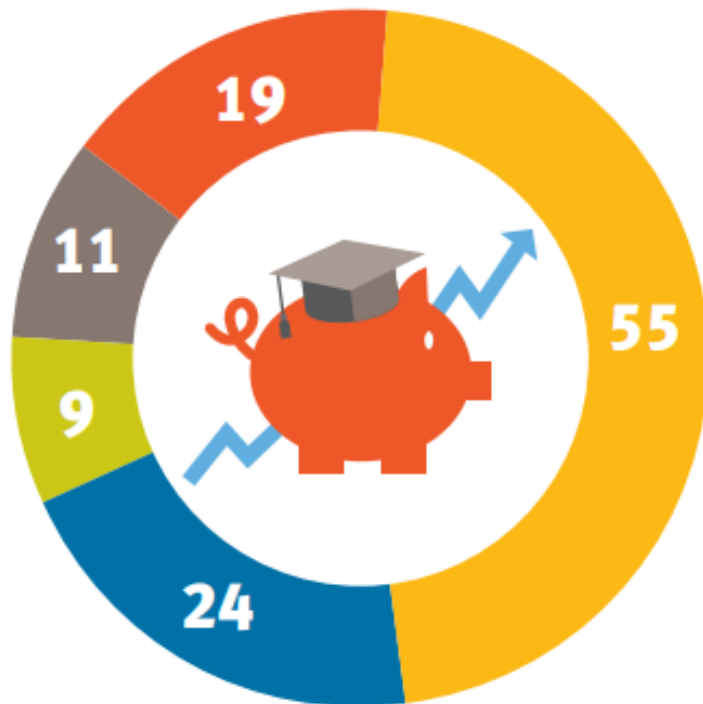
- **Tough not to get attached** and want to do more
- Sense of **accomplishment**
- Hopefully provided **brighter future** for those I serviced
- Frustration: Our education system, society, government failing those in need

Program results



Achieved a financial goal

(80% of those who attended 3+ sessions)



Number of financial knowledge and skills goals achieved by participants

- stuck to a budget, payment, or savings plan
- filed taxes
- obtained more affordable banking products
- reviewed credit score/report
- developed a budget, payment, or savings plan

96 individuals met with a coach at least once
205 coaching sessions total

Reflections

If I did it again, I'd like...

- **Longer period of time** working with clients – entrench success
- **Follow up:** after x number of months, where do clients find themselves
- **“Next level”** program: after initial success, how to build wealth

Why I **would volunteer again:**

- Financial services industry are in a **unique position to help:**
- By improving financial literacy, **helping people make smart financial decisions**, creating good financial habits
- In so doing, we help everyone at all levels
- Need to find a way to make the financial services industry more responsible, more committed to improving *everyone's* financial situation and in so doing, they would help their current “paying” clients as well: This is the challenge!



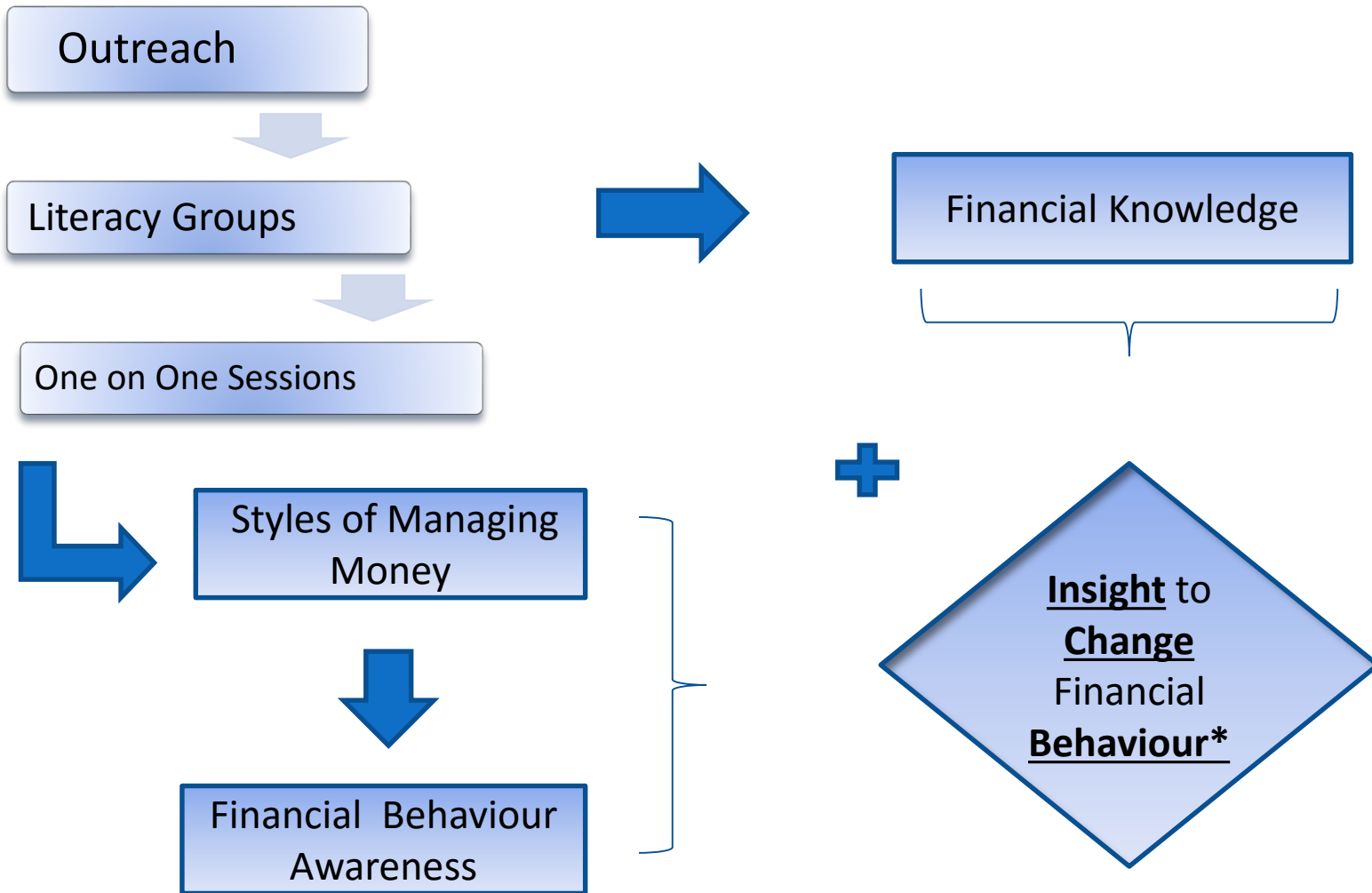
FSGV

Financial Coaching Program

Program Outlook

- **Outreach:**
 - Through over 100 partner organizations
- **Intake:**
 - Directly: By Financial Mentors who provide services at FSGV premises during predetermined times
 - Indirectly:
 - By engaging participants who attend financial education groups
 - Through counselling programs offered by other FSGV departments
- **Delivery model:**
 - Three One on One sessions with clients who want to explore further or need help in a specific financial matter

The Operational Model



*** Financial and Behavioural Awareness occurs only through an experiential learning approach**

Coaching Process

- **Demographic Survey & Questionnaire Completion**
- Presenting Issue(s) Identification
- **Goal(s)** Setting (Specific / Measurable)
- **Tasks** Follow up: For Participant(s) (what, by when)
- Tasks: Follow up: For Mentor (what, by when)
- **Assessment:**
 - Financial (Budget and Balance Sheets completion)
 - Behavioural (Money Styles Assessment Questionnaire)
- **Referrals** (when needed)

Financial Assessment (Experiential)

- **Budget and Balance Sheet**
 - First Draft. Explanation and Prep (first session)
 - Final Draft (second session)
- **Goal Setting and Follow up**
 - Action plan / Task(s) review (first and second session)
 - Roadblocks? / Results achieved? (second session)
 - Questions, Referrals, Goal setting review (third session)

Behavioural Assessment

- **Styles of Money Management**

(First and Second Sessions)

- Identification of predominant styles
- Analysis of **predominant styles**
- Emotions and Thoughts driving the styles
- Opportunities and Risks
- Possible ways to **change** behaviour and / or decrease risks.
Benefits from the change

Styles when Managing Money

Behaviour	Style	Emotions Behind the Scenes	Thoughts that drive the Show
Protect it? Rely entirely on it...	Guardian	Fear, doubt, pessimism...	Life, others and the world are unpredictable...
Spend it? Enjoy it...	Pleasure Seeker	Deprivation or pain shielding; Defiance...	Who knows what happen tomorrow, now or never!
Despise it? Blame it...	Idealist	Resentment, detachment, blame...	The world and life are unfair, I shall advocate for fairness...
Keep it? Don't spend It !	Saver	Insecurity, anxiety, fear towards loss...	There is not enough; then the more the better...
Show it...	Star	Need of attention or love, self esteem...	To be loved and respected I must be outstanding!
Neglect it?	Innocent	Powerlessness, discouragement...	Universe make things work; others can take care of us...
Use it to protect? ... control?	Caretaker	Need of feel needed, martyrdom, power...	I shall take care; without me they can't make it...
Capitalize it! Pile it up...	Empire Builder	Need of growth, fear of abuse...	To survive and be respected I must be at the top...

Self-Reflection Queries

- Identify the top three styles that relate the most to you
- What are the thoughts and beliefs that drive them?
- What is your biggest fear regarding money?
- Why?

Successes

- **Knowledge** improvement (Self – Financial)
- Sense of **empowerment**
- Reduction and elimination of **debt**
- **Hope** for a brighter financial future
- Program **promotion** through word of mouth
- Improvement of **savings**
- Decreased **consumerism**
- Model **behaviour** to children
- Reduced **differences** between partners around money

Challenges

- **Beliefs** that lead to unhealthy financial behaviours
- **Fear** from clients to confront an uncomfortable financial reality
- Lack of internal (**self reliance**) or external (**support system**) resources
- Clients not **ready** to change behaviour
- Limited **number** of sessions
- Different set of financial **values** based on cultural background
- Financial or **health** limitations
- **Language** limitations and barriers
- Extensive **follow up** with occasional drop out

Results (2016 -2017)

- Number of One on One clients coached in financial subjects: 175
- One on one Financial Coaching hours: 190
- Number of Partner organizations referring clients for Financial Coaching: 12
- EAP Clients served thorough FSEAP program: 340

Getting Started? Tips for Success

- Develop partnerships with **organizations committed** towards financial health
- Identify the real and specific clients' **needs**
- Use **experiential** exercises (Budget, BS) that:
 - Help to **find** and **decide** where their money goes
 - Invite to **reflect** upon how they manage money
- Assess predominant **styles** of managing money
- Show **benefits** and **risks** of the predominant styles

Getting Started? Tips for Success

- **Space** meetings to allow completion of financial and behavioural assessment tools
- Avoid meeting until the **tasks** are completed and set up **goals** between sessions
- Develop a system that **tracks** sessions, time used, issues, goals, commitments and referrals
- Instil **change** by showing the **benefits** it will bring
- **Empower** clients by eliciting their **inner strengths**

Questions?

Thank You!



Some recommended resources

- Account comparison tool: <https://itools-ioutils.fcac-acfc.gc.ca/ACT-OCC/SearchFilter-eng.aspx>
- <https://itools-ioutils.fcac-acfc.gc.ca/ACT-OCC/SearchFilter-eng.aspx>
- Credit Card Comparison tool <https://itools-ioutils.fcac-acfc.gc.ca/CCCT-OCCC/SearchFilter-eng.aspx>
- Educations Savings Calculator
<https://www.vancity.com/m/Calculators/Resp/>
- Credit Card Payment Calculator: <http://itools-ioutils.fcac-acfc.gc.ca/ccpc-cpcc/ccpc-cpcc-eng.aspx>
- Unclaimed bank account balances: https://ucbswww.bank-banque-canada.ca/scripts/search_english.cfm
- Retirement savings calculator:
<https://www.canada.ca/en/services/benefits/publicpensions/cpp/retirement-income-calculator.html>
- Retirement Income Planner:
<https://www.canada.ca/en/services/benefits/publicpensions/cpp/retirement-income-calculator.html>

4. Report: The *MPower Money Coaching Program*




- <http://www.prospercanada.org> > Resources > Publications

New resource: Managing your Money


- Find the worksheet PDFs at: www.prospercanada.org
 - > Resources > Financial Literacy Facilitator Resources
 - > Worksheets: Managing Your Money

o1 Your money goals




Many of us would like to save regularly. Some of us feel like there is never enough money to get by or any left over to save. Without a plan, budgeting and saving can feel stressful and overwhelming.

o3 Tracking your spending



Keeping track of where your money goes during the month is another helpful step towards making a budget.

o5 Monthly budgeting




When you make a budget, you give yourself a clear picture of your financial situation.

A budget compares your income to your expenses, all in one place. Some people think of a budget as...

What you will do:

- Using your tracked income and spending information, fill in each...
- Apply to you, with the amounts for each item and expense.
- Add up your total income and total expenses for one month. This is your "bottom line" or how much money you have left over at the end of the month or if you are spending more than you receive.

o7 Preparing for tax filing



Even if you make no money, you should file a tax return each year.


You may be eligible for a refund (money back). Filing your taxes triggers access to government benefits that...

community and if you are eligible. They often run during "tax time" - March and April. Bring all of your records with you. Expert volunteers will sort it out and help you file. If there is not an income tax clinic in your community - ask for a recommendation from someone in your family or community.

This worksheet will help you gather the information you will need at tax time. You will need a file folder, an envelope, or a small box to put all of your paperwork in.

and behaviour. We can achieve balance in life as a guide to resolving life's ups and downs.

o2 Tracking your regular income



Income is the money that comes into your household.

People get income in different ways, including having a job and receiving benefits.

One of the first things you need to know to make a budget, is how much money you have coming in before you spend. Making a budget will help you identify money to put towards your savings goals.

This worksheet will help you see the "big picture" of your income and other resources. Then you can think about how to plan your expenses.

It will help to look at your:


- Pay stubs or benefit statements
- Invoices from freelance work or self-employment
- Any other records of money that you may receive throughout the month, such as child support, government payments, employment insurance, or pension income.

Start at any point in the month and track the money coming in for at least five full weeks. As you fill it in, think about the different sources of income you have, and when you receive them during the month.

The chickadee saves its seeds for the long winter. To remember where all its seeds are saved, its brain increases 30% in the fall. It teaches the importance of saving.

The turtle is a symbol of Mother Earth. The turtle teaches us that the land provides us with an endless supply of everything we need. Our responsibility is to manage our resources and money carefully.

o4 Tracking your bills



Knowing what bills you have and when they are due can help you plan your spending.

This activity will help you to be aware of two things: how much you owe each month, and at what time of the month that money is due. This will help you to pay bills on time, and avoid late fees.

What you will need:

All of your bill statements for one month, either paper or online, such as:

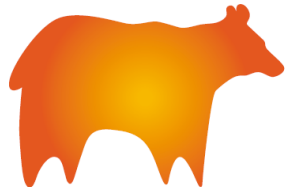
- Hydro, heat
- Internet, telephone, cable TV
- Credit card payments
- Car payments
- Rent or mortgage payments

Record of any other monthly payments, such as:

- Child support payments
- Monthly payments for furniture or appliances
- Monthly membership fees or subscriptions
- Insurance payments
- Debt payments
- Automatic payments or savings

Tip: It can help to put your receipts in an envelope or file folder labelled for each type of bill.

o6 Setting a savings goal



Savings goals say something about what is important to you and your family.

Setting a savings goal means that you have decided how much money you can put away, and what you are going to save for.

This activity can help you write down some money goals and when you would like to achieve them. You can build savings by putting aside small amounts on a regular basis.

Getting to your goal might involve cutting some expenses so you can save a bit more money each week.

What you will need:

- Know how much money you have available to save in a given time period, such as each month. If you don't know, use the monthly budgeting worksheet in this series to make a budget.
- Know what your goals are, both short term (in the next few months or a year) and long term (more than a year away).

Many of us struggle with setting goals. It is something you can practise by "starting small" and then moving on to bigger goals.

The bear is the head of the animal world. The bear teaches us the importance of keeping healthy and well. Although the bear is large it walks softly on the land.

Contact us

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