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Academic Paper

Financial coaching effectiveness in a low-income community: a qualitative analysis

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Abstract

This paper summarizes qualitative data from a field experiment exploring a coaching intervention in a low-income, minority community. The program aimed to develop clients' financial capability focusing on client driven goals. As part of the program, coaches reported client's financial goals, outcomes, and coaching challenges. The qualitative analysis suggests most participants had a goal of saving money, reported saving difficulties, but ultimately were able to save during the program. These findings support financial coaching as an intervention for building financial capability and show how a program to train college students in personal finance, coaching, and intercultural skills can effectively support low-income families.

Keywords

financial coaching, financial capability, financial goals, saving, low-income clients

Article history

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Introduction

There is an emerging body of research on financial coaching couched within the larger field of developing financial capabilities in individuals. Financial coaching is a relatively new endeavor for many foundations, financial institutions, and nonprofit partnerships (Collins, Baker, & Gorey, 2007). Compared with the more traditional strategies of financial counseling, financial education, and financial planning, financial coaching seeks performance improvements with collaborative goal setting surrounding improving financial well-being. Delgadillo, Palmer, and Goetz (2015) purports that coaching is differentiated from other kinds of financial services in that coaches provide encouragement and accountability, and do this in a client-driven environment. In general, financial education strives to increase financial literacy through conveyance of technical information (Wagner, 2019) and financial counseling usually begins with a problem to be solved followed by advising (Tumatarona & O’Hare, 2019). Additionally, financial consultants focus on prescribed advice to clients. Financial coaching, therefore, is distinct in its aim and focus and is summarized as a collaborative solution-focused, result-orientated, systematic, and strengths-based process to facilitate the enhancement of personal financial management (Collins & O'Rourke, 2012).

As financial coaching programs grow and become widespread, it is important to understand the characteristics, efficacy, and challenges of the different coaching methods used to develop clients' financial capability. The current study focuses on a financial coaching initiative at a mid-sized college's Financial Capability Center located in the Northeastern United States.

The study describes a novel individual and group financial coaching intervention mainly exploring the goals, challenges and outcomes faced by clients, as well as the challenges and outcomes for the coaches taking part in the program. The subsequent exploratory study adds to the field by describing a distinct financial capability coaching intervention as well as analyzing coaches' reports of their experiences. That is, the study explores coaches' perspectives regarding clients' goals and outcomes, as well as the reported challenges and outcomes of being a financial coach.

Literature Review

Goals and the ability to pursue goal-directed behavior are fundamental to the coaching approach; recent studies support a goal focus in financial coaching, as well as fostering the self-efficacy required to achieve goals (Collins & O'Rourke, 2012). Overall, evaluations and assessments of financial coaching suggest that participating in coaching is associated with increases in forming and achieving goals, along with goal confidence, increases in budgeting and savings for clients with goals in that area, and improvement of credit scores (Center for Financial Security, 2015). Financial coaching appears well positioned to complement, supplement, and, in some cases, replace existing strategies for increasing financial capability.

Drawing on the literature in psychology on goal intentions and self-efficacy, Collins and O'Rourke (2012) suggest that financial coaching is 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. These coaching approaches focus on goals and perceived self-efficacy to achieve those goals (Bandura, 1969). Additionally, the Transtheoretical Model of Change (Prochaska & DiClemente, 1983) suggests that individuals move through six stages of change in a non-linear manner and financial capability is best developed when clients are in the latter stages due to their capability for behavioral change. This model has been applied in numerous studies focusing on financial behavior change (e.g., Collins et al., 2007; Lyons, Howard, & Scherpf, 2010; Shockey & Seiling, 2004; Xiao et al., 2004). The literature on coaching generally supports the application of this approach to personal financial management and building financial capability.

There are several studies that provide evidence of successful financial coaching initiatives. In a recent study with input from an array of 273 financial coaches, Collins, Lienhardt, and Olive (2021) found that coaches generally see improvements with their clients, especially when coaches have more client sessions and when coaches have training. In another recent field-based experiment where clients were coached both individually and in groups, both types of clients reported increases in financial knowledge, gains in confidence, reductions in stress, and positive changes in financial behavior (Silva, Seitchik, & Parent, 2022). In a randomized control trial assessing the effectiveness of financial coaching, Modestino, Sederberg, and Tuller (2019) found that participants in the treatment group 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 randomized control trial assessing the impact of financial coaching studied programs in two cities (Theodos, Stacy, & Daniels, 2019). With large numbers of participants at both sites (96 and 124 respectively) and the use of a control group, the results indicated that coaching had significant positive impacts on savings, account balances, and reductions in debt and credit utilization rates (Theodos et al., 2019). Finally, a 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, Freiman, Lubell, & Villarreal, 2019).

Methodology

Program Description

In order to advance financial inclusion and capability in the community and provide students with meaningful experiential learning opportunities, a mid-size college in the Northeast of the United States founded a Financial Capability Center in 2015. The core program of the Center is a semester-based financial coaching intervention where students are trained to become coaches for clients of local nonprofit organizations. Most of these clients are from a low-income, Latinx community located near the college. The program is designed to support participants to make meaningful changes in their financial behavior and to improve their financial well-being. The center partners with several nonprofits and secondary schools to effectively deliver their services in the community. Community partners are responsible for the recruitment of clients and for supporting coaches in the development of cultural competencies.

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 multiple disciplines, including business, economics, psychology, social justice, education, and world language and cultures, among others. In terms of recruitment of coaches, the center offers an experiential learning course every semester titled “Fieldwork in Financial Coaching” open to students in any major. 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 from Business and Community Engagement programs. In addition, senior coaches, a select group of former high performing coaches who are invited to return to the center by enrolling in a directed study course, mentor the new coaches, and have leading roles in program operations, coach recruitment, and program evaluation.

Student-coaches participate in semester-long workshops led by faculty and industry experts where they develop coaching, intercultural, and personal finance competences. The coaching curriculum includes communication, exploration, listening, and facilitation skills as well as goal setting and accountability techniques. Through demonstration activities, repeated practical experiences, and peer feedback, students learn to apply coaching principles. The personal finance training includes self-exploration of coaches’ values and money beliefs and the development of a personal financial plan aligned with those values. The financial curriculum focuses on six interrelated financial behaviors (i.e., goal setting, budgeting, maximizing income, spending, saving, borrowing, and protecting) and includes topics such as financial inclusion, financial institutions, products and services, planning for large purchases, and credit and debt management.

The intercultural curriculum is designed to develop the awareness, knowledge, and skills of coaches along the cultural competence continuum. It includes 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.

Once their training is completed, coaches are matched with clients based on individual characteristics and interests. Coaches offer their clients three personal finance workshops that include hands-on activities covering the six financial behaviors and other related topics (e.g., money beliefs, managing money, credit reports and scores, and identity theft) and six financial coaching sessions to help clients plan a path for realizing their self-selected goals. Coaches are supported by faculty trained to deliver interventions for vulnerable populations, center staff, non-profit financial counselors, and financial expert volunteers. Coaches also support each other at biweekly meetings, where they share insights, concerns, and lessons learned. In addition, clients that require further support during the semester, or after the program has ended, are referred to their non-profit partners for extended services.

Though goals are selected by clients depending on their priorities and needs, most focus on building an emergency fund, paying down debt, improving credit, budgeting, or saving for a down payment on a house.

In order to serve more people and take advantage of client-to-client support, in 2017 the center created a coaching pilot that assigned clients to either individual or small-group coaching. Groups consisted of three to four individuals with similar goals. Group coaches received additional training in group dynamics and group facilitation skills (Britton 2010; Cockerham, 2011). Readings and exercises regarding group coaching techniques were assigned and discussed in bi-weekly 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 sessions 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

Clients were mainly 35 years or older (70%), Hispanic/Latino (94%) females (82%). The majority of clients had a full (55%) or part time (36%) job, yet the median household income was $22,410 with 35% being below the federal poverty line. All characteristics of the sample can be found in Table 1.

Table 1: Sample Characteristics (n=59)

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%

There was a total of 59 clients, 41 randomly assigned to the individual coaching and 18 randomly assigned into six group coaching conditions. Clients receiving group coaching were placed in groups based on similar goals, to make it easier for the coach to group coach. All clients participated in three workshops with individual/group meetings afterwards, and three individual/group meetings in between each workshop. This meant each client met with a coach a total of six times. Clients were permitted to miss one coaching session. If a client could not make a coaching session, the coach always rescheduled to fit the client's schedule.

Qualitative Measurements

As part of the program, coaches wrote up a report that contained the client's self-selected financial goals, action plan (i.e., what steps the clients planned, with the support of their coaches, to reach their goals), challenges they faced with the client, summary of the meetings with the client, the client's outcomes (i.e., what the client achieved as a result of the program according to the coach), client recommendations from the coach, and coaching outcomes (i.e., what skills the coach obtained from their experience in the program). These information rich, qualitative documents were coded into quantitative data.

To code the qualitative information, we followed the steps outlined by Braun and Clarke (2006) for thematic coding. First, one author read all reports to familiarize themselves with all data and developed initial codes. For instance, while reading the goals of clients, saving money, buying a house, and improving one's credit score were often written as goals. The initial codes were reviewed and placed into potential themes. For example, client outcomes often stated that they "learned a lot", "understood credit reports", or "knew how to protect their money and identity." These codes were seen as a similar, high-order theme of gaining knowledge. These themes were then discussed with another author and renamed or combined to be more applicable to the financial world.

The final coding involved coding client goals, coaching problems/challenges, client outcomes, coach outcomes, and group coaching benefits. Financial goals were coded as the following themes: (1) saving money (e.g., "save money to pay for school."), (2) open a bank account, (3) improve/obtain good credit, (4) save for retirement, (5) manage debt, (6) buy a house, (7) budgeting and spending (e.g., "learn how to spread my money as best they can."), and (8) other.

Coaching problems and challenges were coded into the following seven themes: (1) difficulty saving (e.g., "They used the money they started to save to fix their car."), (2) no job/low or not enough income, (3) interpersonal problems (e.g., "I was unable to communicate well with the client due to not speaking the same language."), (4) lack of motivation (e.g., "The client never did his homework so we could not move forward."), (5) difficulty controlling spending or tracking expenses, (6) none, and (7) other. For coaching problems and challenges, themes could arise from either issues faced by the client related to their personal finance (e.g., "not enough income") or challenges within the coaching process itself. For the latter, coaching challenges often stemmed from the coach's point of view (e.g., interpersonal problems, however, some (e.g., embarrassed client) stemmed from the client.

The outcomes that clients were able to achieve from the coaching program were coded as the following seven themes: (1) minimize/lower debt, (2) save money/control spending, (3) improve credit score, (4) gain knowledge/understanding of finances, (5) budgeting, (6) open bank account, and (7) other.

Coach outcomes had five themes: (1) interpersonal skills (e.g., "I learned how to communicate better."), (2) knowledge and skills (e.g., "I learned how to apply for a mortgage."), (3) social sensitivity (e.g., "I was able to become more sensitive to other cultures and their needs and desires."), (4) personal reflection (e.g., "I was inspired by my client and was personally satisfied with how I did as a coach."), and (5) other.

Finally, there were only two themes for group coaching benefits: (1) bouncing ideas off each other, and (2) job opportunities.

There were three coders and to obtain inter-rater reliability, we coded the same 20 clients (about 15%) in two different iterations. We were able to obtain reliability for most coding variables (Cronbach's alpha .86 - .99), but on two variables we were not reliable (Cronbach's alpha = .14 and .34). Thus, we decided to double code all qualitative data (i.e., all reports were coded by two different raters and any discrepancies were discussed). Themes were coded nominally and given arbitrary values (e.g., saving money = 1, opening a bank account = 2).

Results

All descriptive statistics for the qualitative analysis can be found in Table 2. As reported by the coaches, most of the clients had multiple goals, problems, and outcomes, and most of the coaches also had multiple outcomes. However, we mainly focused on those that were seen as most important to the client and/or coach. Additionally, it is difficult to report frequencies accurately if clients and coaches can be counted in multiple frequency distributions.

Table 2: Descriptive statistics for qualitative variables

Variable	Frequency (n)	Percentage
Goals		
1. Save money	23	44.2
2. Open bank account	1	1.9
3. Improve/obtain good credit	2	3.8
4. Save for retirement	2	3.8
5. Manage debt	6	11.5
6. Buy a house	10	19.2
7. Budgeting and control spending	4	7.7
8. Other	4	7.7
Problems/Challenges		
1. Difficulty saving	11	21.2
2. No job (low or not enough income)	2	3.8
3. Interpersonal problem	12	25.0
4. Lack of motivation	6	11.5
5. Difficulty controlling spending or tracking expenses	4	7.7
6. None	6	11.5
7. Other	10	19.2
Client Outcomes		
1. Minimize/lower debt	5	9.6
2. Save money/ control spending	24	46.2
3. Gain financial knowledge	9	17.3
4. Budgeting	10	19.2
5. Other	4	7.7
Coach Outcomes		
1. Interpersonal skills	8	15.4
2. Knowledge and skills	31	59.6
3. Social sensitivity	2	3.8
4. Personal reflection	9	17.3
5. Other	2	3.8

1. Client Goals

In terms of primary client goals, saving money for a purpose that did not include buying a house or retirement planning (e.g., "My client's goal was...putting money away in an emergency fund.") was self-selected by 44.2% of clients. It was also selected by 33.3% of clients (out of 33 clients who reported a second goal) as their secondary goal, making it the most reported first and second goals. Given the low-income and low-wealth audience served by this program, most of the clients live from paycheck to paycheck while they juggle rent, late bills and debt obligations. Income volatility due to fluctuating work hours is another common source of financial vulnerability. Clients choosing to accumulate liquid savings for emergencies, or other short-term purposes, as their goal is consistent with an attempt to use the support of this program to create a buffer against instability and begin to pave the road to financial security.

The second most common primary goal, selected by 19.2% of clients, was being able to buy a house. This was also the third most common secondary goal, reported by 15.2% of clients. The extent of this goal varied from client to client; for some it meant to start saving for a down payment, while for others it was to learn about the process of buying a home. In spite of the barriers to home ownership, both in terms of access and affordability, many of our clients considered owning a house a priority. This means they prioritized investing in an illiquid asset such as a home, even though they were living under economic uncertainty. Owning a house may provide a sense of security but also of belonging and accomplishment (Sherraden & McBride, 2013). Though beyond the scope of this study, there are also risks associated with homeownership for low-income households, as was evidenced by the foreclosure crisis that significantly affected this segment of the population during the Great Recession. In fact, some of our clients lost their homes to foreclosure years ago and were again exploring their path to homeownership. Hopefully, this time they had increased support and resources.

In sum, for 63.4% of clients, asset accumulation in the form of either liquid or illiquid assets was a priority that deserved the significant time and effort they had to invest to participate in this program. Despite the challenges they face in their efforts to accumulate wealth, our target audience believed it was the most important goal. Indeed, research shows that asset accumulation has additional effects in low-income households' well-being beyond the direct economic effects of increased equity. Wealth accumulation can bring psychological and social benefits such as changed perceptions about the future, social mobility, and family stability (Sherraden & McBride, 2013).

On the other hand, building longer-term assets in the form of retirement savings was a primary goal for less than 4% of our clients, and no one reported it as a secondary goal. Given the daily economic uncertainty that our target audience faces, prioritizing savings for immediate and medium term needs is a necessity for them. There are also institutional barriers to saving for retirement for low-income and minority households that may not incentivize this behavior (Shapiro, 2017).

The third most common goal, chosen by 11.5% of participants, was to better manage their debt. It was also the second most common secondary goal, reported by 21.2% of clients. The goal of reducing household debt is consistent with the pattern of wealth-building behaviors identified before as primary goals. Although borrowing is a necessary behavior for many low-income clients (e.g., to smooth consumption over time or invest in human capital), serving the debt obligations often brings additional financial distress. Thus, managing debt as a priority for clients is also consistent with the theme of mitigating uncertainty and vulnerability.

Other financial goals, such as budgeting/controlling spending and improving credit, were selected as primary goals by a fewer number of clients (7.7% and 3.8% of them, respectively). Most clients viewed these financial behaviors as a tool to achieve their asset building objectives. As reflected in the following quote, clients valued the opportunity to select their own goals and learn the tools and behaviors, such as budgeting, required to reach them:

> *The best part of working with my coach was getting to set up a goal and come up with ideas to reach it. Also to be able to understand that in order to save for something you need to increase your income and be careful with your spending.*

Another client reported: “She (my coach) was good at helping me figure out where my money was going and explaining to me what to do to increase my savings.” These two clients identified saving as their main goals and behaviors such as increasing income and tracking and controlling expenses as means to achieving their goals.

2. Coaching Challenges

Regarding challenges faced during the coaching process, interpersonal challenges were the most frequently reported by coaches at 25%. It was also reported as a secondary problem by 13.6% of coaches (out of 22 who reported a second one). Scheduling difficulties were common (e.g., “The biggest challenge I faced was working with my client’s schedule and being flexible to her cancellations.”). With three workshops and six coaching sessions during the semester, the program required a significant commitment from clients and coaches. Clients and their coaches navigated their scheduling challenges in different ways. For example:

> *Trying to find a time that worked for us was definitely difficult. We fixed that by meeting at a place that was relatively convenient for both of us while Sandy (pseudonym used) was on a break from her demanding schedule. We also met before the workshops to catch up and see where we were in our progress.*

Other coaches learned to be accommodating to clients' needs:

> *Nadia (pseudonym used) was usually late to our meetings because she had to pick up her children from school as soon as she got out of work. She does not have a car, so it was difficult for her to get around in a timely manner. Knowing this, Peter (the translator) and I just remained patient as we waited for her to arrive.*

Though the program required a number of meetings to graduate, it was also designed to be flexible and fault tolerant. The following quote underscores this principle:

> *Mario (pseudonym used) did not show up to the first workshop and did not answer my first attempts to reach out to him. I thought he was going to drop the program because he called a week before the second workshop to tell me he was travelling (sic) ...This is where another challenge came into play, the fact that he was a full time worker and I was a full time student with two jobs myself. This only left a few hours during the week that we could make work into our schedules, but we made it work. Getting to know Mario and seeing how driven he was to learning (sic) everything he could through the program made these two challenges ones that we could overcome.*

Thus, as is typical in service organizations, client cancellations and changes of schedule were common. Coaches were trained and received the support from faculty and staff to adapt their coaching schedule as much as possible in order to provide flexibility to clients. In addition, the educational content of the workshops was modular so that missing one meeting would not impact the rest. The fact that the client retention rate was more than 85% indicates that the added flexibility may have contributed to client success.

Also, part of interpersonal challenges was the ability to communicate with clients. Reporting of language barriers was common. Though working with bilingual coaches would have been ideal, only 10% of our coaches were Spanish speakers. Thus, the program had to rely on interpreters recruited from different sources (i.e., community members, former clients, non-profit staff, and college students) to support the non-English speaking clients. Based on coaches’ accounts, working with an interpreter would occasionally lead to miscommunication problems: “The language barrier was sometimes difficult, even with a translator. Sometimes, certain things may be misunderstood or forgotten from one person to another.” Similarly, other coaches reported missing part of the discussion with their client because of the translation: “My biggest challenge with Yolanda (pseudonym used) was that sometimes I felt as though there was part of the discussion that was not getting translated back to me.” The same coach later described how she addressed the situation: “In the end, I found that by stepping in and asking more questions around the discussion I was able to receive full feedback from Yolanda that further benefited the coaching experience.”

The second most important challenge, identified by 21% of the coaches, was that it was difficult for clients to save money (e.g., “There were three weeks where she was not able to put aside the $50 per week. The reason was that her car broke down.”). This was also reported by 18.2% of coaches as a secondary problem. Not surprisingly, given the low and volatile income of our clients, regularly relocating money for saving and keeping it in savings was challenging. As recounted by a coach:

> *Samuel (pseudonym used) had a very irregular income each week, because he did not have a full-time job. He was (sic) driver Uber (sic) few days a week. The irregular income made it very hard to stick to a habit of saving, because he would be able to save money one week, but the next week he would not be able to save money at all.*

Unexpected expenses were another common reported obstacle to saving: “My client found it difficult to save because different things kept coming at her. However, once she started using an app to manage her spending, she was able to save some more.” This quote underscores how the need to cover for unforeseen contingencies made it difficult for the client to save, but it also reflects how the resources provided by the coach had some impact on her saving goal. Family ties and obligations were also commonly reported by coaches as an additional obstacle for clients to save (e.g., “Dalia (pseudonym used) struggled to save because her brother broke his arm and she had to pay for the medical bills”). Coaches often discussed clients’ close ties to family in their country of origin and the impact this had on their ability to save: “It was difficult for Juan (pseudonym used) to save because he had to send a lot of money back to his family in the Dominican Republic”.

3. Client Outcomes

A limited number of recurring themes emerged as primary client outcomes. The ability to save money and/or control spending was the most frequently reported, at 46.2%. It was also the most frequently reported secondary client outcome from the 42 coaches who reported one, at 23.8%. Since coaches commonly represented saving and controlling spending as intertwined client outcomes, both themes were combined into one category. The following quote exemplifies the stated interconnection in client outcomes:

> *As a result of the program, Ann (pseudonym used) was able to decrease her spending at her part-time job at a retail store. She indicated most of her spending leaks came from taking advantage of the stores deals and employee discounts…. Decreasing her spending at the store allowed her to contribute more money to her down-payment savings, which was her goal.*

Finding an increased ability to save as the primary outcome of the program is consistent with the primary goal of saving money that was commonly self-selected by clients.

The second most popular primary client outcome, at 19.2%, was developing budgeting skills. It was also reported by 21.4% of coaches as a secondary client outcome. Gaining financial knowledge and skills was closely behind at 17.3%. As a secondary outcome, it was reported by 16.7% of coaches. These two recurring client outcomes are expected of a coaching program that also has an embedded educational component. While saving money was a goal frequently self-selected by clients, practicing budgeting and other financial management skills were the curricular backbone of the educational part of the program.

When analyzing the qualitative data, we find an alignment between clients' goals, challenges, and outcomes. Coaches reported that the clients wanted to primarily save money. This goal of saving money lines up well with the clients' primary problems and outcomes. According to the coaches, clients report having difficulty saving money, yet they are able to save money and/or control spending as main outcomes of the program. This problem and outcome, respectively, hinder and help clients attain the goal of saving. Thus, it seems as if most clients want to save money, just to save for the future or to buy a house, and their problems revolve around difficulty saving, yet they are still able to report saving and control spending behaviors in the coaches' perspectives. This data is promising as it suggests that the program assisted in producing behaviors necessary for attaining the clients' desired goals. Once the client made a goal, the coaches and program revolved around that goal.

4. Coach Outcomes

There were three main recurring themes that emerged as primary outcomes for the coaches as a result of participating in the program. These were: financial knowledge and skills, personal reflection and self-awareness, and interpersonal competencies.

Gaining financial knowledge and skills was the most frequent primary outcome self-reported by 59.6% of coaches. It was also described as a secondary outcome by 20.5% of them (out of 44 who reported a second outcome). Most coaches reported to have gained knowledge and skills about specific areas of personal finance such as credit, budgeting, or student loans. As the following quote exemplifies, the perceived gain in knowledge about student loans frequently prompted an increase in financial self-awareness and changes in coaches' behaviors:

> *I know now how to access my loans to see how much money I am responsible for and to whom I owe this money to. I was unaware that two of my loans has (sic) already started accruing interest, so I have developed a budget that allows me to pay off these two loans the upcoming summer.*

Coaches also reported to have developed overall financial management skills. A coach explained: "I am more confident with my financial decisions and know that I will be able to help myself in the future." As this quote underscores, coaches frequently associated improved financial management skills with increased financial confidence and more control over their future.

Being able to personally reflect on one's experience was the second most frequent primary outcome for coaches, as reported by 17.3% of them. Learning from and being inspired by the hard work and character of their clients was a typical reflection. This outcome is illustrated in the following quote:

> *As a coach, I was very inspired by Chris (pseudonym used), and her situation. Being such a young mother with the ambition that she has, speaks to her character, and I am so confident that she will do well. I have learned so much from her including the perspective to take when looking at my own ambition and work ethic.*

Coaches also recurrently reflected about the lessons learned from witnessing the struggles, and the resilience of clients:

> *An aspect of myself that I've seen change over the program is that I am much more accepting of failure...learning from those failures is what really makes a person soul-search. Picking up on these outcomes over the entirety of the program has helped me to flourish into not only a more confident and approachable coach, but also a determined one to not give up after the first defeat, but to continue to push forward against any hurdles.*

Coaches also reflected on the impact the program had in guiding their career interests and facilitating professional opportunities. For some coaches, the coaching experience validated their interest in pursuing a related professional track (e.g., “Participating in this program has assured me that I am making the right choice by taking this path in life”), while it opened up internships opportunities for others (e.g., “This hands on, client facing experience has been an amazing talking point at interviews…Through these accomplishments, I have been able to secure two internships for the upcoming years.”). In some cases, coaches related their success in securing a job to skills developed during the program (e.g.,” If I didn’t get this experience with real clients, I don’t think I would have had such a successful job interview.”).

Finally, interpersonal competencies were reported as a primary outcome by 15.4% of the coaches. Increased communication skills were frequently highlighted in the reports. As an example, one coach indicated: “I have particularly developed stronger communication and interpersonal skills. I have learned new, more creative ways to relay information as well as how to cater towards specific audiences.” Other coaches referred to developing interpersonal competences in the context of particular coaching skills (e.g., “The coaching techniques such as active listening and problem solving have added to my skills and I hope to use these techniques through my life for any job I have.”). Several coaches perceived an improved ability to communicate with and relate to people from different backgrounds and life experiences and reflect on their growth in communication and intercultural skills.

> *... I learned to adapt and communicate to my audience, in this case Spanish speaking adults, which has benefited my ability to articulate my thoughts and ideas in ways that are easily understandable. My words are much more concise when I speak, making my voice more impactful.*

Increased intercultural sensitivity was also a common outcome from the perspective of the coaches, as can be observed in the following quote:

> *Concluding the program with Joe (pseudonym used) I developed interpersonal and cultural competences. I was aware of other cultures before the program, but I never took into account or considered that someone like Joe could be struggling to make ends meet here because he had to send so much money home to his parents. The wage gap is so big between the two countries...so he does not have a choice on how much or when he sends them money if they are in need...*

In conclusion, the reported benefits of participating in the program, as expressed by the coaches, indicate that this particular financial capability intervention has the potential added benefit of positively influencing college students’ outcomes in terms of financial knowledge, skills, and confidence as well as supporting the development of their personal growth, and interpersonal and intercultural competencies.

Discussion and Limitations

This study presented a financial coaching intervention serving low income community members. The coaches were college students that received training and support from faculty, industry experts, and staff from the college and nonprofit partners. Overall, the results indicated that coaching benefited clients. Clients started the program selecting a financial goal (mainly saving money), ran into challenges during the process (such as interpersonal challenges and obstacles to save), and finally reached a program outcome (mainly saving). This goal, problem, and outcome all line up to show that most clients’ goals were met at the end of the program. For example, Susan had a goal of saving “money to buy a new car because she keeps having to fix her old one.” The client and coach developed an action plan to save money, however, Susan ran into a problem where for “three weeks she was not able to put aside the $50 per week. The reason was that her car broke down...and she then needed to pay a lot to fix it.” Her goal of saving money ran into the obstacle of having to spend the emergency fund on an actual emergency. At the end of the program, Susan was able to “save $370 which was a little under what we aimed for.” Susan is just one example where a client faced challenges during the program but was able to achieve progress toward her goal.

Though saving was a main goal and outcome of the program, most clients, like Susan, had to work hard and make difficult sacrifices to make ends meet while pursuing their goals of saving money throughout the program. While clients were able to save money, their daily hardship and financial shocks made it difficult to keep and build upon those savings. Maintaining liquid assets is a challenge for many American families (U.S. Federal Reserve, 2018), and it is even more so for families with low and fluctuating income. A similar observation of low income households being able to save money but having to use it in the short term has been documented in Morduck and Scheneider (2017). Government policies on asset limits for public benefits represent another obstacle for low-income families to accumulate liquid assets (Sherraden & McBride, 2013). Furthermore, these families do not benefit from tax incentives (i.e., deductions for retirement savings and home mortgages) that promote long-term savings for other population groups (Woo, Rademacher, & Meier, 2010).

Our findings also line up with the goal-setting literature. Locke and Latham (1990) suggest that you need to set difficult, specific, attainable goals. For low-income populations, the attainable aspect may change drastically from week to week. The coaches reported that it was difficult for clients to save money and that they needed to adjust goals or steps to reach the goals. As suggested by Oettingen, Pak, and Schnetter (2001), individuals must plan for obstacles and how they would overcome them to reach their ultimate goal. Our qualitative analysis suggests that coaches and clients tried to do this to the best of their ability given their ever changing circumstances and the challenging economic and institutional context they live in.

The program had scheduling challenges since clients’ unpredictable work schedules and busy lives made them cancel coaching sessions or workshops. Anticipating these difficulties, the program was structured with frequent reminders of meetings, a modular curriculum, and on-demand logistical support that included meeting space and translation services. However, and in spite of the built-in program support, scheduling challenges added stress to both coaches and clients since they had a minimum of six meetings to complete by the end of the semester.

In spite of these challenges, the authors believe that having a required number of meetings and a semester to complete them may have precluded a more frequent postponement of meetings that could have decreased clients' engagement and eventually impacted retention. Literature on behavioral economics indicates that 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 with college students as coaches, we have learned that short-term deadlines coupled with flexibility and program support is necessary to achieve success for both clients and coaches.

The need to use interpreter services created additional challenges as coaches often perceived these services created a communication barrier. Based on this feedback, the center has developed new training and clear guidelines for interpreters. Additionally, to maximize the use of their language skills, the program encourages bilingual coaches to serve as group coaches and to continue one additional semester at the center as senior coaches. To build a pipeline of bilingual coaches, the program has implemented a peer coaching pilot for first generation students, many of them bilingual students from the community. These students participate as “clients” during their first year at the college and then are trained as coaches in the following years. These students bring their valuable language skills and a deep understanding of the clients and the community the

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program serves. In turn, they benefit from increased financial knowledge and skills and a sense of belonging to a community of peers during their challenging first year at the college.

The program also influenced coaches' outcomes in terms of financial awareness, knowledge, and skills, as well as personal growth and interpersonal competencies. The program trains college students, a population increasingly impacted by financial distress (e.g., increased tuition and student loan debt). Student coaches also gain "real world" experience working with clients to better prepare them for the internship and job market. The skills they learn give them an advantage in the industry that most students do not have. Coaches not only worked one-on-one with their clients for an entire semester, but they also met regularly with faculty, industry experts, and non-profit practitioners. As there are not many financial service providers trained to assist the financially vulnerable, this program prepared students with unique career skills. Additionally, students apply their knowledge to various and challenging situations while receiving feedback on their approaches, allowing them to reflect on what they did. This high-impact educational practice is effective in promoting multiple students' outcomes (Kuh, 2008). Finally, student coaches felt that they improved their ability to communicate with and relate to people from different backgrounds and life experiences. Higher education has a civic responsibility to teach students how to be socially-minded, engaged citizens of their diverse communities.

This qualitative data matches well to the quantitative data in *Name Withheld*. They found 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. There were similarities when comparing the qualitative (i.e., coach perspective from the current paper) and quantitative (i.e., client perspective from *Name Withheld*) findings with regard to client outcomes. As mentioned previously, the themes that emerged from the qualitative analysis of coaches' narratives were also an increase in clients' ability to save money as well as improved budgeting and overall financial knowledge and skills. Thus, both coaches and clients perceived that the program had influenced these outcomes in a similar way. On the other hand, clients' changes in financial confidence and stress were outcomes not as frequently reported by their coaches. A plausible interpretation is that these are more internal, abstract constructs that may not be visible to the coaches. Actual behaviors learned or gained from the program, on the other hand, are visible to coaches. It could also be that the changes in behavior (e.g., actually budgeting and saving) increased clients' confidence and reduced their stress but coaches only witnessed the former and not the latter.

While the study's findings are promising, it is important to acknowledge potential limitations related to the methodology and selection process that could impact the generalizability and interpretation of the results. Firstly, the study's reliance on qualitative data from coaches may introduce a bias, as the perspectives directly shared are those of the coaches rather than the clients themselves. As mentioned before, this could lead to an overemphasis on behaviors observable by the coaches, such as budgeting and saving, while potentially underreporting more abstract outcomes like financial confidence and stress that clients might experience internally.

Additionally, the selection process for participants, including both the college students who served as coaches and the clients, may have introduced a sample bias. The students were likely driven and academically strong, while the clients were possibly already inclined to pursue changes to improve their financial health. This predisposition could have influenced the program's outcomes. Moreover, the coaches received extensive support and training, and the clients were given significant support and flexibility; this level of program support may not be replicable in other settings, thus limiting the broader applicability of the findings. Finally, conducting the study at a single site with a specific population (low-income community members as clients and students as coaches) further restricts the generalizability of the results to other demographic groups or geographic locations.

Conclusions

Coaches' written reports provided detailed qualitative data to gather insights into the financial coaching program outcomes and challenges, suggesting future programmatic directions such as a focus on interpreter training and further developing the peer first-generation program. Future research could also expand on the current qualitative analysis by using unstructured interviews. A deeper, more meaningful reflection of clients' experiences within the program could enhance the unique benefits and downsides of this coaching program on the particular community it serves.

Overall, 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 in personal finance, coaching, and intercultural competences can be an alternative model to support the financial capability of economically fragile families.

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