



Financial coaching helps military veterans in transition

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—Participants in financial coaching trainings

During active duty, military service members and their families experience financial challenges that come with frequent relocations and loss of income during deployment. After their service, veterans are at high risk for unemployment or difficulties associated with the change from military service to civilian life (US Congress Joint Economic Committee Report, May 2012). Like much of the U.S. population, most veterans have little financial education to help underpin sound financial decision-making in times of transition.

Coaching’s role in financial literacy

In 2012, the University of Wisconsin-Extension was approached by the Wisconsin Department of Financial Institutions (DFI) Office of Financial Literacy to assist with a new Veterans’ Financial Literacy Initiative. The initiative’s goal was to provide a range of education and assistance, including financial information, workshops, credit counseling, and mental health services to veterans experiencing financial distress.

DFI and partner agencies, such as the Marine Corps Wounded Warriors Regiment, VA Veterans Center, Dryhooch and others, sought to include a volunteer financial coaching component in the services.

UW-Extension Family Living Programs was uniquely qualified to provide the necessary financial coaching training for volunteers as one of only a few such programs nationwide.

An emerging field, financial coaching complements more traditional approaches. Coaching supports behavior change by helping people turn their knowledge and intentions into action. For example, a person might know that creating a budget and tracking spending will help them better manage their money, but still struggle to adopt these habits. Financial coaches work with individuals to determine their unique goals, establish detailed plans of action, and monitor progress on new positive financial habits through regular check-ins, typically over the course of three to six months.

Family Living develops financial coaching trainings

In 2012-2013, three UW-Extension family living educators collaborated to develop and deliver five financial coaching trainings for the Veterans’ Financial Literacy Initiative. Four were coordinated and funded through the Department of Financial Institutions; the Federal Deposit Insurance Corporation (FDIC) sponsored the fifth.

DFI, UW-Extension, FDIC and other financial literacy partners recruited individuals interested in becoming volunteer financial coaches. Training sites included Madison, Stevens Point, Eau Claire, Brookfield and Milwaukee.

Family Living Programs Impact Report

Participants in the UW-Extension financial coaching training received a pre-workshop assignment; attended an in-person six-hour training; and were given a two-hour, post-workshop practice assignment. The DFI and the Marine Corps Wounded Warriors Regiment also provided the future volunteer financial coaches with information on working with veterans.

Results

Volunteers trained by UW-Extension are now better equipped to provide financial coaching in two-thirds of Wisconsin counties.

- Nearly 120 individuals participated in the five financial coaching trainings conducted by UW-Extension throughout Wisconsin.
- After the trainings, UW-Extension created a roster of volunteer financial coaches categorized by county and provided it to the Wisconsin DFI.
- At the close of 2013, there are more than 100 volunteer financial coaches located in 47 Wisconsin counties who are now available to assist veterans and their families. Among this list of volunteer financial coaches, 24 are UW-Extension family living educators.
- The majority of volunteers are non-Extension community partners, including individuals from the financial services sector, agencies providing services to veterans, and credit counselors.

Workshop participants were given pre-training surveys and a four-week follow-up survey. Fifty-one participants (43% response rate) completed the follow-up survey.

- All (100%) of the respondents reported that the training was “useful” or “somewhat useful” for their understanding of the coaching model, financial coaching skills, and establishing the coaching relationship.
- Following the training, 66% of respondents reported they actively listen to clients more frequently.
- 63% are more likely to let clients choose their own goal.
- Respondents reported an increase in clients being accountable for follow-through and a decrease in providing direct advice.
- Half of all follow-up survey respondents (51%) reported wanting additional training in asking powerful questions, while approximately one-third would like additional training in coaching skills such as requesting (36%) and bottom-lining (35%).

What participants said

- “I have never done financial coaching before, but I feel more comfortable now to start coaching soon because I attended the workshop.”
- “The workshop was very well put together and provided a lot of time for interaction, discussion, and ‘trying on’ of the coaching techniques...the participants all were given adequate time to ask questions, address individual coaching dilemmas/concerns, and

engage with each other. It was a very effective, enjoyable training overall.”

- “I enjoyed the opportunity to practice skills immediately.”
- “The workshop was very informative. I learned a lot of new information regarding coaching, particularly the differences between, mentoring, therapy, consulting, etc. I am more aware of the differences and able to better understand the different aspects of being a coach.”

Online resource available

As a follow-up to the volunteer financial coaching trainings, UW-Extension and its partners at the UW-Madison Center for Financial Security developed and maintain a website (<http://fyi.uwex.edu/financialcoaching>) that provides ongoing support and information to volunteer financial coaches.

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Financial coaching may not be the right approach for every veteran or their family members, but when individuals have financial goals they would like to work on, coaching is a great fit. Whether the financial goal involves transitioning from military service to civilian life, responding to a change in income, or balancing the monthly budget, a volunteer financial coach is a helpful sounding board for figuring out where to start and how to keep moving forward.

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