GreenPath Financial Wellness: Virtual Financial Coaching Pilot

December 31, 2021

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Overview

The past decade has seen a rise in the use of financial coaching as an approach to improve the financial well-being of individuals. Typically financial coaching is a defined as a strategy where financial coaches work with clients to set financial goals, take specific steps toward those goals, and check in on clients' progress over time (Collins et al. 2013). The outcomes of financial coaching for participants are encouraging, yet many questions remain surrounding the advantages of different coaching models and delivery modes, as well as strategies for client engagement. As a relatively young field, financial coaching programs are still in an early stage of development, with organizations implementing and integrating financial coaching services in a variety of ways. This report evaluates a unique approach to virtual financial coaching, client recruitment, program design, and service delivery piloted by GreenPath beginning in May of 2020 and concluding in the summer of 2021.

GreenPath is a national nonprofit with more than half a century of experience in helping people build financial health and resiliency. As a trusted national nonprofit focused on financial wellness for everyone, consumers have turned to GreenPath for more than 60 years as their guide through financial crises: overwhelming debt, foreclosure, bankruptcy, or credit challenges. GreenPath provides support to strengthen financial wellness at every step of the financial journey helping hundreds of thousands of people improve their financial health through education, counseling, and coaching. Utilizing their experience developed through their established post-mortgage modification coaching program, GreenPath leveraged this experience to develop a virtual coaching pilot. This coaching pilot widened the focus to include any financial goal the client may have as well as broadened the target participant group beyond the post-mortgage clientele. GreenPath offered this coaching program, called Your Money Guide (YMG), to 5,000 clients, with 309 clients participating in the virtual coaching pilot program.

This report provides a brief review of prior studies to provide context for the YMG virtual coaching pilot. Next, the report provides an overview of the pilot design as well as distinctions between the two phases of the program. Following these sections, the results from YMG client and coach interviews are summarized, followed by an analysis of data collected throughout the pilot program.

Overall, YMG is found to have been as successful, if not potentially more effective, as a traditional face-to-face coaching program at recruiting and retaining clients. Clients worked on actions related to their individual goals, and on average clients show decreased debt, increased savings, and improved credit scores. The YMG pilot shows great promise for an innovative way to deliver financial coaching in a way that is accessible and meets the needs of clients.

Prior Studies Supporting the YMG Approach

Given the recency of the development of financial coaching approaches, the published literature on financial coaching is confined to around two dozen studies as of 2021, the earliest having been released in 2009. These studies typically fall into three areas: field experiments of financial coaching programs, case studies of financial coaching programs, and proposals of novel financial coaching models or approaches.

Field Experiments

One of the most extensive empirical studies of financial coaching was a randomized experiment conducted at two sites: The Financial Clinic in New York City and Branches in Miami (Theodos, Stacy, and Daniels 2018). Clients were referred by partner community-based organizations. Clients in The Financial Clinic program showed increased savings and credit scores, while those in the Branches program reduced aggregate and delinquent debt. Given the design of the study with a treatment and control group, this is robust evidence that the coaching programs improved people's financial situation.

A more recent study of Stand By Me, a Delaware-based organization that delivers financial coaching through host organizations, such as nonprofits, local employers, and state government agencies also showed positive client outcomes. Stand By Me clients demonstrated improvements in debt repayment and took on new forms of debt compared to before they began coaching (Elliot et al. 2020).

Several other studies showed that financial coaching improved how well people manage credit or debt. Moulton and colleagues (2013) found that financial coaching integrated into a homebuyer education program improved the rate of people making mortgage payments on time. Another study examined the Boston Youth Credit Building Initiative, which like the Financial Clinic/Branches study used an experimental design (Modestino, et al 2019). This study found that financial coaching offered to low-income young adults improved credit behavior, credit access, and credit scores, as well as less use of high-cost alternative financial services like payday loans. A separate quasi-experimental study also based in Boston showed that financial coaching embedded into housing programs helped low-income families decrease debt, improve credit scores, and increase earnings (Geyer et al., 2019).

Other studies show that financial coaching improves participants' subjective well-being. For example, White and colleagues (2019) found that financial coaching lowered the level of financial stress reported by women. In another recent study, parents of pediatric patients in a health care setting were shown to benefit from access to financial coaching along with an array of other non-medical services (Bell et al., 2020).

Generally, these studies suggest that subjective and objective financial well-being is positively impacted by financial coaching. Although it is difficult to compare programs across studies due to the variety of models and implementation strategies, a study of the MyBudgetCoach program found similar outcomes for budgeting behaviors whether the coaching was delivered in person or online (Collins et al. 2016).

Case Studies

While experiments to test the effects of coaching are important, observational case studies may be better able to illustrate how coaching is being used in the field. One case study explored how a video-based coaching program designed around brief, solution-focused coaching helped tax filers build savings (Palmer et al., 2016). A case study of a financial coaching program that was delivered as part of a Head Start early childhood program showed that coaching in this setting helped parents set and achieve financial goals (Robertson & Curley, 2016). Rankin's (2015) case study of financial coaching in a workforce development program found that the more clients worked with coaches, the more likely they were to find and keep a job.

Collins and O'Rourke (2012) conducted case studies of several coaching programs, each with unique clients and coaching models. Across programs, participants reported increased confidence in their ability to achieve their financial goals after taking part in financial coaching. Loomis (2018), exploring the use of coaching within a municipal financial empowerment center program, examined the application of financial coaching as a route to financial inclusion for low to moderate-income households; the approach used incorporated a combination of goal setting, motivation, empowerment, and asset building. Loomis concluded that the financial coaching program observed in this study focused on individual responsibility rather than acknowledging and addressing the structural inequities and policies that create financial insecurity.

Overall, these case studies demonstrate that financial coaching programs employ a wide range of settings, models, and coaching approaches to achieve a broad variety of outcomes. Like the field experiments, these case studies do not provide a clear view of the state of the coaching field.

Coaching Models

One reason standardization has not emerged in financial coaching is that models are still in development. Indeed, several financial coaching studies are not based on any one project or program, but rather develop foundational principles using theories from psychology and other fields.

Several of these financial coaching model papers focus on the techniques used in financial coaching. Delgadillo (2014) explored a self-discovery process coaches can use to help clients realize their financial strengths and identify solutions to their financial problems.

Delgadillo (2015) suggested that financial coaches can help clients to develop solutions by being keen observers and supporters in the process of establishing and working toward financial goals. Delgadillo and Britt (2015) noted that financial coaches should use different techniques than counselors or advisors do, relying on more client-driven, less prescriptive processes. They describe coaching as a strengths-based, solution-focused approach in which financial goals are set by the client in partnership with the coach, rather than for the client by a counselor or advisor. To support this general approach, Delgadillo and colleagues (2016) discussed the application of appreciative inquiry techniques to guide financial coaching clients in identifying and achieving changes in their financial behaviors.

Collins and Olive (2016) proposed another model, the A|4 coaching model, as a framework for coaches to engage clients in self-directed learning. The A|4 process includes Alliance, Agenda, Awareness, and Action steps. Within this framework, which is informed by several empirically tested psychological theories, coaches apply specific communication skills and behavior change techniques, such as self-determination and motivational interviewing, to facilitate goal-setting, self-discovery, and action planning.

Another set of papers that develop coaching models are more focused on the mechanics of delivering coaching. Peeters and colleagues (2018) developed a model for coaching in group settings rather than one on one, which offers the benefit of delivering financial coaching more efficiently. Other authors describe how financial coaching can be integrated with other financial services. Dubofsky and Sussman (2009) discussed how financial planners can strengthen client relationships by using coaching techniques as part of their planning and advising services. Knutsen and Cameron (2012) explored how coaching approaches can be used by financial advisors, in the context of financial planning for higher-net-worth clients making investment and insurance choices.

Finally, Cao et al. (2020) provide insights for financial organizations in using social media to facilitate financial learning and connect consumers to personal financial services in a model that could be applied to financial coaching.

In summary, studies and literature that examine financial coaching as a strategy to increase the financial well-being of individuals are still gaining momentum. A growing body of literature provides increasing evidence of the usefulness and impact of the coaching approach on clients' financial situations, but more evaluation and study of the strategy is needed. This virtual financial coaching pilot report seeks to add additional information and insights to this developing field.

Program Design

GreenPath began enrollment for their YMG virtual coaching program in May of 2020. In total, 309 low-to-moderate income consumers were engaged in the financial coaching pilot. The virtual coaching mode utilized by coaches was telephone-based coaching. Design of the program including partner organizations, recruitment efforts, empathy training, and conducting two phases of the pilot are all distinguishing characteristics of the program that are important to discuss.

Partners in Outreach

Targeted outreach and recruitment campaigns leveraged the networks of three valuable partners: ArtBuilt, Self-Help Credit Union, and United Way of Greater Mercer County. ArtBuilt is a New York-based nonprofit organization that supports arts and culture with programs serving artists, arts organizations, and the public. ArtBuilt focuses on financial stability and access to opportunity for artists, arts businesses, and organizations, and broader access to arts and culture for the public. Self-Help is a non-profit financial institution headquartered in Durham, NC. As a national community development organization, Self-Help has more than 179,000 members with branches serving Florida, North Carolina, South Carolina, and Virginia. The mission of Self-Help is to create and protect ownership and economic opportunity for all, especially people of color, women, rural residents, and low-wealth families and communities. United Way of Greater Mercer County is a non-profit organization located in New Jersey that provides programming and support for the community, which seeks to build youth and family success, economic vitality, and health and wellness. United Way of Greater Mercer County is focused on creating opportunities that help families get ahead financially through programming that assists in meeting their basic needs while gaining the financial capability to plan for and accomplish, their long-term financial goals. These three organizations were important partners in marketing to prospective clients.

Client Recruitment

To determine the best clients to target, GreenPath worked with the Center for Financial Security (CFS) at the University of Wisconsin and a staff behavioral scientist. The target audience was low to moderate-income individuals who were not in a crisis, had a stable income, desired to build financial resilience, had less than $5,000 in unsecured debt, and were seeking an accountability partner. Outreach was done through email using a "drip campaign" to drive engagement. A "drip campaign" is a unique, innovative way of marketing that is utilized in the nonprofit space and means that multiple emails are sent out to prospective clients according to a schedule. The verbiage in the emails was intentionally framed in an optimistic, friendly, and empathetic tone, which aligned with the pilot's overall focus on empathy. Recipients received three emails to provide an opportunity to sign up for financial coaching. The second email was sent 14 days after the initial email and the third email was sent out 30 days from the initial invitation.

Once clients were recruited, they completed an initial session that included income and expense analysis and goal setting, as well as an integrated version of the CFSI Financial Health Assessment. This provided both baseline data and valuable relationship-building information. Coaches then scheduled up to four follow-up appointments to ensure clients were reaching their goals. Client progress and data were tracked and recorded using an online tracker for the YMG program. With each participant's permission, their Trans Union credit report and score were soft-pulled at the start of the program and again at 3, 6, and 11 months.

Empathy-Guided Coaching Approach

GreenPath dedicated four experienced coaches to the YMG coaching program. All coaches had received certification from the National Foundation for Credit Counseling (NFCC). In addition, GreenPath provided the coaches with 16 hours of empathy training and ongoing support from an empathy coach. Empathy is often defined as the ability to share and understand the feelings of another person and respond appropriately. Empathy training helps individuals to practice communicating in a way that makes others feel heard, valued, and visible. Like many skills commonly referred to as "soft skills", these critical communication skills are not necessarily innate in people and require concerted effort and practice. GreenPath prioritized this empathy-guided coaching approach and integrated training and ongoing support into the model. Specifically, GreenpPath built the YMG program to include a culture of *financial empathy*, which applies the principles of empathetic communication, recognition, and dissolution of cognitive bias, and embracing the financial vulnerabilities and limitations experienced by clients, into the YMG program. A key tenet of the YMG coaching program was that financial empathy enhances the ability to bridge the gap between intention and action by creating a safe space where clients can share their financial vulnerabilities with a coach and leave behind the overwhelming feelings of shame, fear, or avoidance that often accompany issues surrounding money and finances.

> **Coach Perspective: Empathy Training**
> *"I have found Empathy training to be incredibly helpful in understanding how to communicate with my clients. It has had a lot of impact in my personal life and professional life. It's allowed me to be more present with my clients, asking more meaningful questions and have better conversations with those clients. It helps me also understand how I factor into a conversation and my thoughts and feelings impact other conversations. It's been a great thing to learn and I enjoy the training we are receiving."*

Phase 1 and Phase 2

The financial coaching pilot was conducted in two phases. Phase 1 lasted for 7 months and engaged 208 clients from May through December 2020. Phase 2 engaged 101 clients from January through May 2021. Changes in outreach, coach training, and coaching protocol were made for Phase 2 of the program. Due to these changes, the design of the sessions and communication with clients also differed from Phase 1.

Outreach

The target audience and participant sourcing remained the same from Phase 1 to Phase 2. Outreach was done through email using the same three emails, although a condensed drip campaign timeline was used to keep participants as part of a cohort. The second email was sent 7 days after the initial email and the third email was sent out 14 days from the initial invitation.

Coach and Client Pairing

In Phase 1 of the program, a Gretchen Rubin Four Tendencies survey was sent out to determine the learning styles of the clients and pair them with coaches accordingly. The Gretchen Rubin survey was utilized in Phase 1 based on the theory that people hold themselves accountable in different ways and therefore will better respond to a coaching approach that builds on that tendency. Participants ended up not utilizing the Gretchen Rubin survey to the extent that it proved beneficial to the program. Therefore, in Phase 2 a "Get to Know You Session" was added to obtain baseline information more easily and this session replaced the Gretchen Rubin survey to pair clients with coaches. Additionally, data collection took place at every interaction to fill in the data gaps that were identified in Phase 1.

Coaching Framework

Phase 1 approached the coaching pilot with the objective of asking clients to set their financial goals and to establish specific steps towards those goals; their coach was there to support their actions and hold them accountable. This framework in Phase 1 shed light on several areas that then allowed the program to evolve to better meet client and coach needs in Phase 2. Coaches learned that many clients came to the program with lofty financial goals, which were often not realistically attainable in that period of time. Clients would end up feeling disappointed when they could not reach those goals. Additionally, it became clear that many clients also lacked the shared language and financial knowledge to take specific actions to change their financial habits and behaviors. In an effort to make the coaching more relevant and arm clients with the tools to make informed decisions around goals and actions, financial education was delivered through a weekly email campaign in Phase 2. Delivering this relevant, reliable educational content directly to clients to consume at their own pace and in a safe space, removed the challenge and burden of the client having to seek out information on their own. The addition of the client educational materials allowed sessions to become more targeted with specific learning goals mapped out ahead of time.

Peer Communication

For Phase 2, three of the original coaches stayed on and one new coach was added. Input on the appointment process, learnings, and workflow were encouraged and were updated for the second phase based on the coach's feedback. Weekly coach meetings were added in Phase 2 in order to provide an opportunity for coaches to discuss the financial education content sent to clients. This peer-to-peer communication between coaches added a valuable element of peer support. A private Facebook Group was added as an additional form of communication, and a tighter structure for appointments was used to ensure coaches and participants were on the same page. This shared language in the educational content allowed coaches to have conversations around financial topics, removing the shame and embarrassment that many people often experience when they don't understand a financial topic. The addition of financial education in Phase 2 also allowed coaches to explain how a client would apply the financial information to their situation, therefore, bringing relevancy and personalized guidance to the conversation.

In summary, the changes that occurred between Phase 1 and Phase 2 of the pilot program did not drastically alter the format or delivery of the coaching service. However, due to valuable insights provided by coaches and informed decision-making by program leaders, some notable adjustments to improve the program were integrated into Phase 2 as described above. Additionally, GreenPath made the Phase 2 modifications in order to test a more scalable version of the program. The format of Phase 1, with clients choosing more open-ended goals, less defined timelines, and continuous appointments, would be challenging to scale. Testing a second option that introduced a shared language, cohort groups, and an established 12-week program structure allowed for piloting a more scalable option. In conclusion, because these updates to Phase 2 did constitute some changes, this report will be clear about differentiating findings between the Phases in an analysis of the pilot.

Interview Findings

To better understand the coaching pilot, coaches and clients were interviewed to learn more about the challenges and benefits of phone-based financial coaching. Four financial coaches were interviewed at the end of Phase 1 and again at the conclusion of Phase 2. Ten clients were interviewed in Phase 1 and nine clients in Phase 2. The interviews captured trends in perceptions around financial coaching, program design, mode and technology, and recruitment. Because of pivots made for Phase 2 of the program, differences in feedback may exist between interviews taken in different phases.

Defining Financial Coaching

Coaches and clients were asked how they would define financial coaching. As expected, coaches displayed clear consensus on what defines the financial coaching approach. They defined it as an opportunity to work on financial goals, fight obstacles getting in the way of success, and receive education with materials and resources to support their learning. Coaches provide support and accountability through a process of working towards financial goals and should break down goals into smaller, achievable steps. Coaches should emphasize clients' strengths by "meeting clients where they are."

Clients' definitions of financial coaching emphasized a personal relationship and personalized one-on-one experience. Clients believed that financial coaching meant support, motivation, and guidance to get on the right track financially. They viewed a coach as an accountability partner, someone to provide advice on how to plan finances, or an encouraging facilitator. Others said it is creating a personalized financial plan to accomplish goals. Overall, coaches and clients seemed to have a consistent perception of the financial coaching approach and what clients expected to get out of the program.

Client Perspective: Virtual Coaching
"[Virtual coaching] is a partnership, it's a process where we have a sounding board and it's facilitated but never led by the coach but rather by the client. We are encouraged the entire time to identify strengths to achieve what we thought we couldn't. The difference is that having these conversations one-on-one on the phone can be done so much more flexibly, it's also more freeing to do it on the phone - I feel much more comfortable talking about tough financial issues".

Program Design

Coach Perspective: Program Design
"For me, I feel like the empathy coaching has helped me paint a better WHY someone wants to save 'x' amount of dollars or whatever financial goal. Instead of clients saying "I should probably have 3 months of an emergency fund" I find they are saying more things like "I went through an experience that taught me x, and that is why I want towork toward this goal."

Coaches agreed that the minimum amount of time clients should take part in virtual financial coaching is 90 days to see any success, with 6-12 months being ideal if clients have big goals to work on. Clients had varying responses for the minimum amount of time people should take part, ranging from two months to a year, with the average response being five months. There seemed to be a consensus that it depends on the situation and people should partake in coaching until they feel financially comfortable and are able to maintain financial stability.

Coaches found that the human-centered design of the program worked well. The 16 hours of empathy training was good preparation for working with a variety of clients. This was demonstrated on the client side as the coaches' friendliness, approachability, understanding, and encouragement were emphasized in many of the interviews. In answering “What has worked well?” many clients talked about the positive experience they had with their coaches. In talking about how having a virtual coach can help people to achieve their financial goals, the accountability, guidance, and encouragement received were brought up as the main benefits of having a financial coach. This showcases the importance of having a good coach for the program to be successful.

Client Perspective: Coaching Approach

“I love having a financial coach, it helped me achieve a lot of my personal goals. Prior to this I didn’t have motivation with finances and budgeting. Financial coaching for me is an empowerment thing, they help you navigate your financial struggles. To me this is really valuable, being paired with counseling, it brings a lot of awareness and perspective to finances. Kind of like having financial friend that holds you accountable.”

Coaches believed more training and professional development would help improve their ability to help clients work on their individual goals. However, they also noted that the program went very well and believed clients seemed to be achieving their goals and outcomes. It was also noted that varying levels of income and goals of clients made it clear that clients further along in their journey would need a different, more advanced level of support.

There was mixed feedback from both clients and coaches on the changes made in Phase 2 of the program. “The materials were a great supplement in the 2nd phase, but the emphasis should be on the coaching,” said one coach. The written materials were helpful, but there should also be a focus on individual coaching which requires different paths for different clients. Another noted that engagement seemed to be less in the second phase, but one-on-one time was more valuable because it was more focused and to the point. The materials also provided more purposeful conversation which gave the potential to do more with clients. “Appointments were more structured in the 2nd round, which made for quicker, more productive sessions.” Overall, the coaches seemed to think the added materials and more structured sessions were an improvement to the program.

Clients had more mixed reviews as some enjoyed the more conversational and client-focused feel of the Phase 1 sessions, while others appreciated the more structured format of Phase 2. One client interviewed at the end of Phase 2 said “I think less paper, more discussion. I felt the emails were the primary means of communication over more phone calls, that are more engaging. I think the phone calls increase accountability.” Another client who participated in both phases said she liked the first round better as the second needed more engagement by the coach. The added emails seemed to be beneficial as some clients who participated in Phase 2 mentioned they appreciated the weekly emails and that they helped with accountability and keeping up with weekly assignments. With the limited amount of client interviews taken, it is hard to make conclusions on whether the differences between Phase 1 and Phase 2 of the program had a considerable effect on clients.

Mode and Technology

Coaches and clients found that virtual coaching presented both benefits and challenges to the program. Many clients found that meeting virtually was more convenient and allowed for flexibility in scheduling. Without the option of virtual coaching, some clients may not have been able to fit financial coaching into their schedules. "I haven't had in-person coaching, but I would say virtual coaching does open a door. I wouldn't have been able to fit this in my work schedule if it was in-person," said one client. Some clients found that virtual coaching was more comfortable for them. Less judgment can be perceived over the phone, which can make it more comfortable for the client to talk about tough financial issues.

> **Client Perspective: Virtual Coaching**
> *"It's more constant reminders, more reaching out, emails. When it's virtual you have more access to bills and things like that to discuss with your coach".*

On the other hand, some coaches and clients felt that there are benefits to in-person coaching that were missed out on in the virtual coaching format. In-person coaching allows for more connection between coaches and clients as you can read each other's facial expressions and body language. One coach said, "Silence, facial expressions, and tone of voices are powerful tools that lose some meaning over the phone." This view was shared by a client who stated, "I would like it if it was more a mixture of virtual and in-person. Sometimes virtual sessions have a sense of disconnect," when asked what would make the program work better. One suggestion was to have meetings over zoom versus over the phone.

> **Client Perspective: Virtual Coaching**
> *"…I love that it's over the phone and really flexible. I have had other financial coaching options and they're less available. The flexibility and the excellent advice makes this a great resource."*

In addition to using technology to communicate with clients, coaches and clients value the use of technology to track progress and share documents. Communication between coaches and clients took place over the phone and email was used to share documents. Coaches believed that improved technology supports would make the program work better. This includes better ways to communicate, share documents, track clients' situations, and take notes. Some clients also believed having more interactive tools would improve the program. Screen sharing capabilities over video conferencing apps could mitigate some of these issues.

Recruitment

Coaches were asked for their input on the best ways to recruit other people to take part in the program. Recruitment through GreenPath programs such as debt management or home buyer programs, connecting with credit unions or nonprofits, social media marketing, and through employers providing financial wellness programs to their employees were all offered as suggestions.

Clients were also asked for their opinion on the best way to recruit clients into the program. Their input included financial institutions, word of mouth, credit unions, and social media. When asked how they found out about this program, most interviewees said it was through their credit union, with some saying they learned about the program through the emails sent by GreenPath, and others mentioning loan companies told them about it.

In conclusion, client and coach interviews demonstrated the successes and downfalls of telephonic or virtual coaching and provided useful insight on ways to improve the program to allow it to reach its full potential. Overall, the program was recommended by both clients and coaches and positive feedback, as well as insightful recommendations, were received. Some of these insights were that empathy training led to improved coach and client satisfaction, there was a desire for shared information as a starting point for conversation, and participants craved accountability, support, and encouragement. Clients needed a specific timeline of the coaching program and clear next steps, changes that were then implemented in Phase 2. Coaches and clients expressed similar ideas on the benefits of financial coaching and how it can help provide financial literacy, stability, and support to those working on their finances.

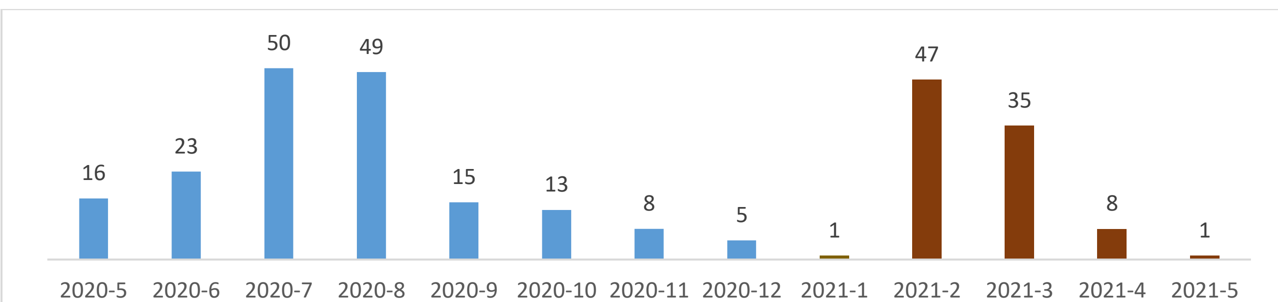
Client Perspective: Recommending Financial Coaching
"Yes, because I didn't think it was possible for me to set up a budget or any goals, but I was able to do those things with my virtual coach. I also achieved some things like paying off my credit cards. I enjoyed the emails and feedback from my coach as well as the modules that taught me new things".

Administrative Data Findings

This pilot served the middle and lower-income population. Overall, the clients in the pilot had a median income of $45,500 (mean of $53,779), with less than eight percent of clients with incomes at an initial intake of more than $100,000. Savings levels were low, with a median of $1,000 and a mean of $6,689 in savings across all sources. Debt levels were much higher, however, with and median total debt (including all types of mortgages and loans) of $63,946 (mean of $101,323). Accordingly, debt tended to be a common problem for clients in the program.

Figure 1 shows the client volume by phase, from May 2020 through May 2021. July and August, as well as February and March, were peak periods of initial contact. Phase 1 (in blue) lasted for seven months and engaged 208 clients. Phase 2 (in red) engaged 101 clients from January through May 2021.

Figure 1 Month of Intake



Source: Greenpath Administrative Data 2019-2021. Phase 1 May 2020-December 2020 (blue). Phase 2 in 2021 (red).

Table 1 shows the data for all 309 clients and each phase of the YMG pilot. Phase 1 accounts for about two-thirds of total clients. In general, Phase 1 and 2 clients are similar, although there are more unreported characteristics in Phase 1 than in Phase 2, where client reporting of data was more complete. The majority are women; less than 1 in 5 clients are men. The client population served is mostly non-white, and especially Phase 2 has a larger share of Black clients. In terms of income, the majority of clients have incomes under $50,000 and less than 10 percent have incomes over $100,000 (See also Appendix Table for more details on income, savings, and debt, as well as state locations).

Most clients across phases of the pilot have a credit report with a sufficient level of records to allow for a credit score; only 13 percent have thin files or are un-scorable. Among those with scores, there is a close to even split between those with stronger and weaker credit. Finally, just under half of clients are single-person households, with an average household size of around 2 people. Overall, the YMG pilot attracted mainly women with low and moderate incomes and people of color. Clients in the pilot do not all have negative credit histories, with a mix of better and worse (subprime levels) credit. This appears to be a typical population for financial coaching services and a well-targeted group for this pilot.

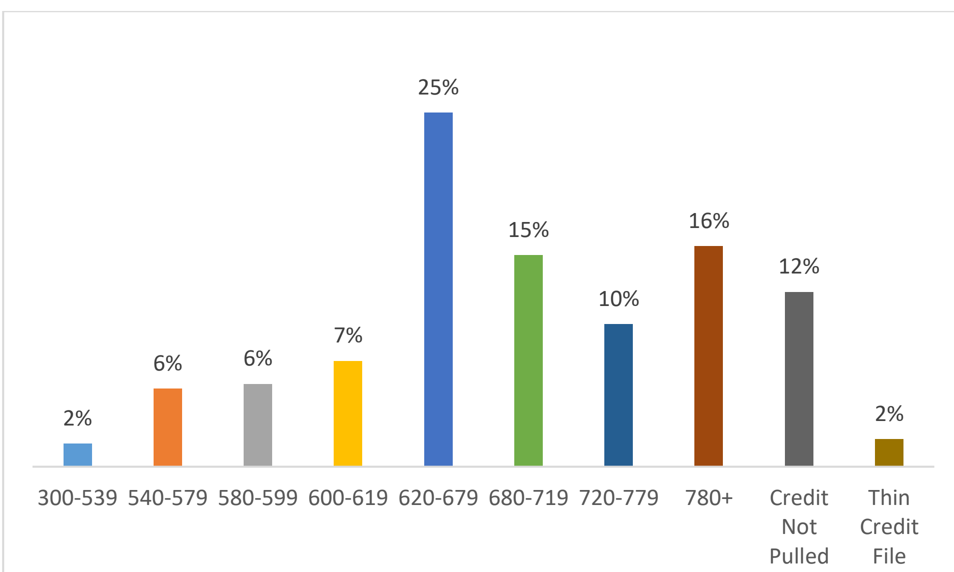
Table 1 Summary Statistics by Phase

	All		**Phase 1**		**Phase 2**	
All	309		208		101	
Women	253	*82%*	170	*82%*	83	*83%*
Men	55	*18%*	38	*18%*	17	*17%*
White	111	*36%*	72	*35%*	39	*39%*
Black	119	*39%*	65	*31%*	54	*54%*
Race unknown	79	*26%*	71	*34%*	8	*8%*
Hispanic	44	*14%*	34	*16%*	10	*10%*
Income<$50,000	156	*50%*	99	*48%*	57	*56%*
No Income reported	41	*14%*	41	*20%*	0	*0%*
No credit score	39	*14%*	30	*14%*	9	*9%*
Subprime credit	144	*47%*	93	*45%*	51	*51%*
Good credit	126	*41%*	85	*41%*	41	*41%*
Single	137	*44%*	78	*38%*	59	*58%*
Household size	2.0		1.9		2.2	

Source: Greenpath Administrative Data 2019-2021. Subprime score is defined as a reported credit score of under 680.

Figure 2 shows the client distribution of initial credit score at intake. Credit scores of 680 or more are considered "good" (or better) credit. About half of clients had scores under 680. About 14 percent did not have credit records or lacked enough data in their report to be able to obtain a score.

Figure 2: Credit Scores at Intake



Source: GreenPath Administrative Data 2019-2021

Table 2 summarizes intake data for all 309 clients in the YMG pilot. Clients were asked questions about their financial stress levels and how financial stress impacted their lives—clients could report multiple items. The majority reported that their finances harmed their ability to enjoy life, with 54 percent of clients responding this applied to them. Almost one-third (31 percent) reported their financial issues harmed their ability to sleep. About one-in-five (22 percent) reported harm to their health and reported financial issues impacted their relationships.

A smaller number reported that financial issues impacted their performance at work (15 percent) and their children (9 percent). Overall, clients in the pilot show signs of financial stress, with the potential for financial coaching to help reduce people's stress levels.

Table 2: Client Reports of Financial Stress at Intake

Reported Impacts of Financial Issues on:	% total
Enjoyment of life	54%
Ability to Sleep	31%
Health	22%
Relationships	21%
Performance at work	15%
Children	9%

Source: Greenpath Administrative Data 2019-2021
(Note: Clients could indicate multiple impacts.)

Table 3 shows how many meetings clients in the YMG pilot attended overall. All clients attended at least one coaching session, which lasted on average 39 minutes. This is consistent with an initial meeting, where coaches gather data and clients work on their goals. After the first meeting, about two-thirds (58 percent) of clients attended at least a second meeting. These meetings were only about 24 minutes long, which is consistent with follow-up and accountability check-in sessions. Nearly two-thirds of people who attended a second meeting attended a third meeting, and nearly half (45%) of clients attend a first, second, and third session. Each follow-up session is successively shorter, as would be expected. It was rare for clients to attend more than four sessions, with just 20 percent attending five or more sessions. All of these patterns appear consistent with a traditional coaching model. Retention rates appear relatively strong—at least half of each session's participants return for another session.

Table 3: Client Retention and Interaction Length

Retention	Count	% of Prior	% of Clients	Avg. Minutes
First Meeting	309		100%	39
Second Meeting	178	58%	58%	24
Third Meeting	138	78%	45%	17
Fourth Meeting	105	76%	34%	13
Fifth Meeting	61	58%	20%	11
Sixth Meeting	47	77%	15%	9

Source: Greenpath Administrative Data 2019-2021

Table 4 displays the client's follow-up survey results after the first meeting, where each item is on a 1 to 10 scale. These scores are all positive, across both phases. Clients are very likely to refer others to the coaching program. They also expressed a high level of satisfaction with the program and their coach. They also reported good/positive levels of confidence about being able to reach their financial goals.

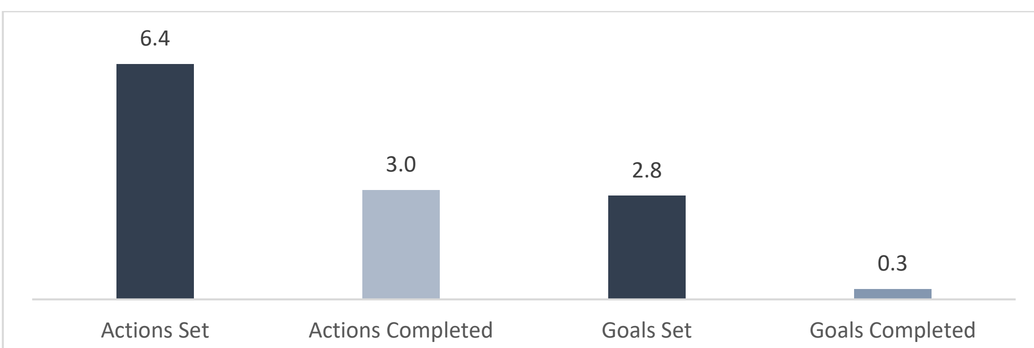
Table 4: Client Self Ratings of Coaching Experiences

Phase	How likely would you be to refer someone to "Your Money Guide" Coaching?	How would you rate your overall satisfaction with the financial coaching program?	How would you rate your overall satisfaction with your financial coach?	I am confident I can achieve my financial goals.
Phase 1	9.6	9.5	9.5	7.2
Phase 2	9.3	8.7	8.8	8.1
All Clients	**9.4**	**9.2**	**9.3**	**7.6**

Source: Greenpath Administrative Data 2019-2021

Figure 3 shows GreenPath's internal data collected by coaches on the client's financial plan actions and goals, as well as how many actions and goals were completed as of follow-up sessions. The average client has 6.4 planned actions, and completed half of them at follow-up. Clients set about 2.8 financial goals and on average made some progress on those goals at follow-up.

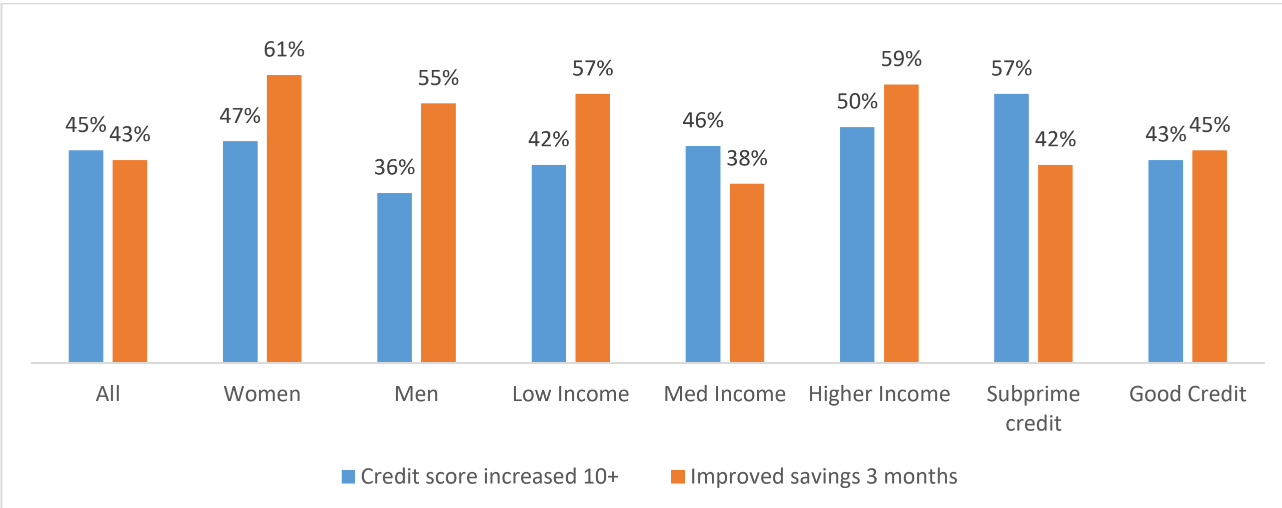
Figure 3: Client Actions and Goal Progress



Source: GreenPath Administrative Data 2019-2021

Figure 4 shows outcomes for credit and savings by client characteristics. The main outcomes of interest are people who show an increase in credit scores by 10 points or more, as well as increased savings reported after 3 months. Overall, these outcomes appear to improve. All sub-groups of clients show positive outcomes, including lower-income clients. Interestingly, people with worse credit initially tend to report more positive credit improvement outcomes.

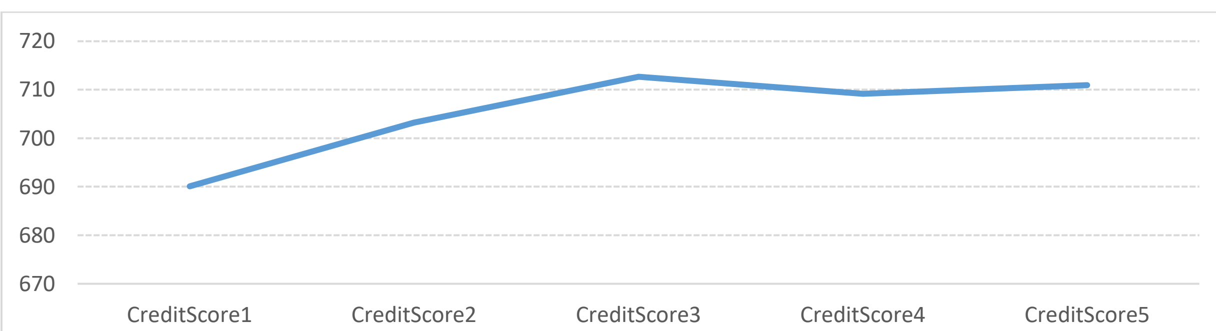
Figure 4 Client Outcomes



Source: Greenpath Administrative Data 2019-2021

Figure 5 shows average credit scores for clients who had credit scores at intake and then were measured at each follow up (about every three months) labeled as Credit Score2 through Credit Score 5. Scores appear to increase at each follow-up period through the third credit pull which is about 6 months after initial intake. Scores tend to flatten in later periods, among those clients still in the program and with scores.

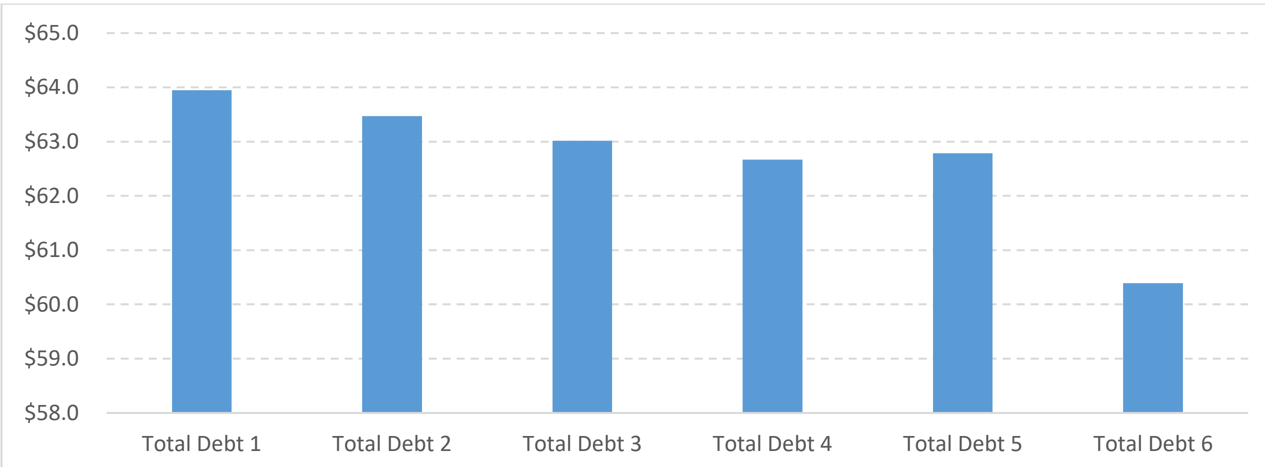
Figure 5: Credit Score Changes



Source: Greenpath Administrative Data 2019-2021

Finally, Figure 6 shows median changes in total debt levels from intake (Total Debt 1) through each follow-up period. Median debt levels for those who are in the data by the last follow-up contact show a median reduction in total debt of nearly $4,000, which is about scores for clients who had credit scores at intake and then were measured at each follow up (about every three months) labeled as Credit Score2 through Credit Score5. Scores appear to increase at each follow-up period through the third credit pull, which is about a seven percent decline in total debt.

Figure 6 Median Change in Total Debt Levels ($000)



Source: Greenpath Administrative Data 2019-2021

It is notable too that the form of debt among clients also changes. For example, past due accounts declined. At intake, the average client had 1.6 past due accounts. At follow-up clients had 1.2 past due accounts—this change suggests clients were better managing "bad debt" as they took financial actions with their coach.

Conclusions

Overall, the YMG pilot appears to be successful. The levels of client satisfaction and engagement are similar to those shown in face-to-face coaching programs conducted prior to the COVID-19 pandemic. The interviews offer rich details into the program's success in reaching and retaining clients. The data collected in the program are consistent with client retention, serving under-served populations, and positive outcomes in terms of higher credit scores and savings. Although not all clients had debt problems, the pilot helped people better manage debt, especially people with lower credit scores initially. This technology-enabled approach shows great promise of better meeting clients where they are at—one of the YMG pilot's key goals.

The YMG pilot was not set up as a randomized trial or experiment, but rather a proof of concept. There is no "control group" to rule out that these client outcomes were caused by the coaching program. However, these clients do show evidence of improvements, and the Your Money Guide coaching pilot appears to be a viable model to expand and test in the future.

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Appendix: Tables

Table 4: Client Locations by State at Intake

ST	#	%	ST	#	%	ST	#	%
AL	1	0%	ME	1	0%	PA	13	4%
AR	1	0%	MI	27	9%	RI	4	1%
AZ	2	1%	MN	3	1%	SC	11	4%
CA	38	12%	MO	4	1%	TN	3	1%
CO	7	2%	MS	2	1%	TX	12	4%
FL	9	3%	NC	35	11%	UT	1	0%
GA	8	3%	NE	2	1%	VA	1	0%
IA	1	0%	NH	2	1%	WA	4	1%
ID	2	1%	NJ	22	7%	WI	6	2%
IL	9	3%	NM	2	1%			
IN	1	0%	NV	1	0%			
KY	1	0%	NY	18	6%			
LA	2	1%	OH	19	6%			
MA	16	5%	OK	1	0%			
MD	12	4%	OR	1	0%			

Source: Greenpath Administrative Data 2019-2021

Table 5: Client Income at Intake

Income	
Median	$45,500
Mean	$53,779
<20,0000	9%
20,000-29,999	11%
30,000-49,999	40%
50,000-99,999	34%
100,000+	8%

Source: Greenpath Administrative Data 2019-2021

Table 6: Client Total Debt Levels in Credit Report at Intake

Total Debt	
Median	$ 63,946
Mean	$101,323
No Debt	2%
1-999	8%
1,000-4,999	3%
5,000-9,999	8%
10,000-14,999	2%
15,000-19,999	4%
20,000-29,999	7%
30,000-49,999	11%
50,000-99,999	19%
100,000-199,999	21%
200,000-499,999	15%
500,000+	1%

Source: Greenpath Credit Report Data 2019-2021

Table 7: Client Reported Savings at Intake

Savings	
Median	$ 1,000
Mean	$ 6,689
None	33%
>$0-400	10%
>$400-600	5%
>$600-1000	6%
>$1000-3000	17%
>$3000-10,000	16%
$>10,000	13%

Source: GreenPath Administrative Data 2019-2021

Appendix: Interview Questions

Virtual Financial Coaching Pilot Interview Guide

Note: Clients and staff will answer the same sets of questions

Thank you for making time to talk to me today. This interview will take about 30 minutes and while I will take some general notes, it will not be recorded. When we are done today, I will send you an email that has a link to claim your $10 gift card.

GreenPath Counseling has in past conducted its financial coaching through in-person appointments. Last spring, GreenPath launched a virtual coaching pilot program, and you have been able to be part of that program recently. The purpose of this interview is to learn from you about ways to improve the process and structure of virtual financial coaching.

1. How would you define financial coaching? How does virtual coaching differ from in-person coaching in your experience?

2. How long do you think people should work with a virtual coach? What is the minimum time you think people need to take part?

3. How does having a virtual coach help people to achieve their financial goals?

4. Would you recommend this virtual coaching experience? Why or why not?

5. How did you find out about this program [for clients only]? What is the best way to recruit other people to take part?

6. What would make this program work better? What has worked well?

7. Is there anything else you would like to share?