

Building People's Financial Stability as a Public Service

15 Minutes of FEC: The Counseling Model

Angela Gaffney, MEF Associates
October 5, 2017

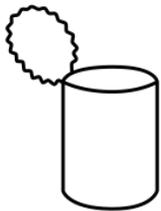


**Financial
Empowerment
Center**



Webinar Goals

- Develop common and specific understanding of core services delivered in FEC sessions
- Understand the “human element” of FEC success



Inside the Session



Inside the 1st Counseling Session

**Initial sessions focus on rapport building;
specific financial services vary by counselor**

1st Session Outline

- Rapport and information gathering
- Set expectations
- FEC Overview
- FHA
- Develop budget
- Goal setting
- Action items



Counselors provide services:

- (1) for participants;
- (2) with participants; and
- (3) encourage them to take steps on their own

Inside the 1st Counseling Session

**Initial sessions focus on rapport building;
specific financial services vary by counselor**

1st Session Outline

- Rapport and information gathering
- Set expectations
- FEC Overview
- FHA
- Develop budget
- **Goal setting**
- **Action items**



Counselors provide services:

- (1) for participants;
- (2) with participants; and
- (3) encourage them to take steps on their own

Translating financial challenges into goals and action items

Client's Reason for Contacting FEC	Client Goals at Intake
Mandatory session attendance	Compliance, or no goal
Reaction to specific financial action	Impending eviction
Short-term goal	Reducing spending, establishing a budget, building credit
Long-term goal	Homeownership, business ownership
Less-defined goals	To "clean up" finances



- Clarify goals
- Link to FEC services
- Refocus long-term goals to short-term action steps



Inside the Follow-up Counseling Session

Subsequent sessions clarify budget and refine action items, goals

2nd/3rd Session Outline:

- Revisit budget and confirm financial information
- Review tracked spending
- Pull credit report (4/5 cities)
- Credit and debt regulation education
- Revisit and refine participant goals



Counselor-client Relationship



Counselor-client relationship a key to client success

- Key attributes:

- Confidential
- Free
- Accountability
- Ongoing, unlimited
- Positive and affirming
- Recognition
- Action-oriented

“I was able to hear myself. Learn what budgeting means and respect those numbers.”



Confidentiality

- One-on-one
- Private
- Supportive
- Safe space

“I thought [the FEC would] be like one of the debt consolidation services where you end up paying, and you’re 900 years old before you finish paying.”

*“At the beginning, you’re not feeling too comfortable. I’m going to say everything about my financial situation to someone you don’t know. They help getting credit back. I was reserved at the beginning. They were really open and flexible. They were like, ‘Just **tell me and I can help you.**’”*

Free and public availability

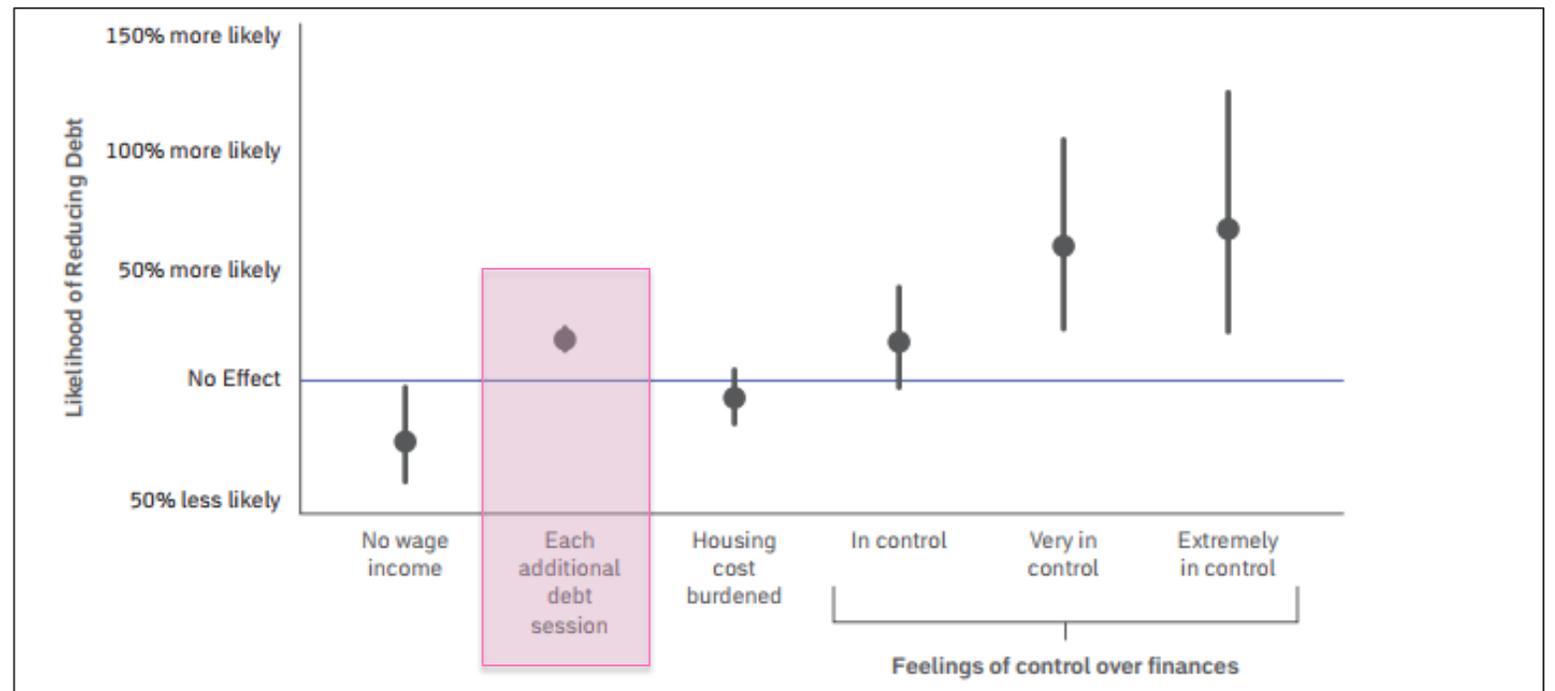
- Non-predatory
- Associated with community-based organization
- Trust
- Visibility

Ongoing sessions; Accountability

- Willpower
- Habit reinforcement
- Demonstrated, sustained interest in their wellbeing and progress



Additional sessions correlated with greater likelihood of achieving **additional financial outcomes** (i.e. savings, debt, credit, banking)



Recognition

Outcome celebrations → Sense of partnership, shared wins

“It’s like being a kid at school: you want to come in for recognition, affirmation that you’ve succeeded and encouragement to game plan on to the next thing.”



*“She’s **on my team**, rooting for me and wanting to see me succeed.”*

“I’m just inspired by her energy”

Action-oriented: Translating financial challenges into goals and action items

“We just need a roof over our heads.”



Track expenses for XX weeks

Reduce spending on XX items

Adhere to budget for XX months

Call XX creditor by MM/DD/YY

*“When you’re in a situation like ours, you’re not thinking about your credit. [My counselor] helps you step back. Let’s get this part of your life cleaned up. **If you want to live in a decent place you have to have good***

Building and Supporting a Strong Client-Counselor Relationships



Hiring, Training, and Self Care

Hiring

- Cohort vs. Skill-specific
- Passion for community vs. prof. background

Training

- City U Financial Ed
- Counseling Skills
- Financial Skills

Self-Care

- Regular Team Meetings
- Peer Support

Summary

- Clients consistently regarded their relationship with their counselor as **driving factor in financial and non-financial outcomes.**
- Counseling sessions focused on **relationship building, financial diagnosis, and breaking goals into concrete action steps, and following up on “homework.”**
- Counselor-client relationships emphasized **consistency, accountability, affirmation, and recognition.**
- FEC supported strong counselor-client relationships through **hiring, training, and opportunities for self-care.**

Questions

You can do so by typing in your question using the chatbox on the left side of the screen.

Thank you!

www.cfefund.org

For more information on the:

- *Research:* Nicky Grist, ngrist@cfefund.org
- *Program:* Tamara Lindsay, tlindsay@cfefund.org