

# Measuring Financial Capability and Well-Being in Financial Coaching Programs



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# Measuring Financial Capability and Well-Being in Financial Coaching Programs

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## About Prosperity Now

Prosperity Now (formerly CFED) believes that everyone deserves a chance to prosper. Since 1979, we have helped make it possible for millions of people, especially people of color and those of limited incomes, to achieve financial security, stability and, ultimately, prosperity. We offer a unique combination of scalable practical solutions, in-depth research and proven policy solutions, all aimed at building wealth for those who need it most.



In October 2016, Prosperity Now invited senior leaders from five nonprofit organizations around the country to participate in a 10-month Financial Coaching Impact and Evaluation Fellowship, made possible thanks to generous support from Bank of America. The Fellows represented organizations delivering financial coaching services, either on their own or in conjunction with the delivery of workforce development services. The purposes of the Fellowship were to (1) explore and refine the delivery of Fellows' financial coaching programs, and (2) increase the capacity of Fellows' organizations to measure the impact of financial coaching on their clients over time.

As part of the effort to improve outcome measurement, Prosperity Now sought to explore the usefulness of two recently developed measurement tools: Center for Financial Security at the University of Wisconsin-Madison Financial Capability Scale (FC Scale) and the Consumer Financial Protection Bureau's Financial Well-Being Scale (FWB Scale). Because both of these tools have clear potential to refine our ways of measuring the financial condition of people, Prosperity Now has recommended their use to organizations seeking to measure the impact on their services on clients. At the same time, we knew little about the challenges community-based organizations experienced when administering the scales, collecting data and analyzing results, nor whether the data resulted in actionable programmatic refinements that had the potential to improve outcomes for clients. This Fellowship provided an opportunity to work with these five organizations to incorporate both scales into their data collection processes and to get feedback on these tools, their implementation and the usefulness of the data.

The five participating organizations worked with Prosperity Now to collect data from approximately 100 clients using both scales over the course of six months. On average, the Fellows saw higher rates of financial capability and financial well-being among clients both during and after financial coaching, and despite some challenges with implementing and scoring the scales, all five Fellows expressed interest in continuing to track client outcomes using at least one of the two scales. This brief describes the data collected and lessons gleaned from implementing the scales into data collection efforts during the Fellowship.

## PARTICIPATING FELLOWS

| Fellow                                | Organizations  | Location               |
|---------------------------------------|--|------------------------|
| Dan Rhoton                            | Hopeworks 'N Camden  | Camden, New Jersey     |
| Robynne Rose-Haymer                   | Goodwill Industries of Sacramento Valley & Northern Nevada   | Sacramento, California |
| Courtney Bettle and Moses Mouanoutoua | Cash Campaign of Maryland (formerly Baltimore CASH Campaign) | Baltimore, Maryland    |
| Linsey Vaclav                         | Accounting Aid Society                                       | Detroit, Michigan      |
| Mike Schwartz and Matt King           | YWCA Seattle King Snohomish                                  | Seattle, Washington    |

## THE SCALES

Both the FC Scale and the FWB Scale were developed to establish standard metrics that financial education, financial capability and financial empowerment programs could use to measure the impact of these services on their clients. Having measures that are commonly used across organizations would improve the field's capacity to demonstrate impact and compare the effectiveness of interventions across different contexts. The development and testing of these two scales—along with additional efforts in the field<sup>1</sup>—has moved the field toward programs and researchers using common metrics, but there is not evidence that these are accepted standards widely used across the field.

### Financial Capability Scale

The Financial Capability Scale was developed between 2011-2013 by the Center for Financial Security (CFS) with support from the Annie E. Casey Foundation.<sup>2</sup> CFS worked with four nonprofit service providers to collect data and test the scale, while keeping in mind the data collection and analysis issues facing community-based organizations.<sup>3</sup> The scale measures attitudes and behaviors related to financial capability, defined as the capacity, based on knowledge, skills and access, to manage financial resources effectively.<sup>4</sup> It was intended to track client progress over time within a variety of financial capability and financial coaching programs, and it consists of six questions on an eight-point scale that measure key financial attitudes and behaviors, with two optional questions that do not factor into the score.<sup>5</sup>

#### WHAT IS A SCALE?

A scale is an instrument used to measure something, such as an attitude or ability. By definition, scales are always made up of multiple questions or “items,” and provide a “score” or result that estimates the concept the scale is measuring. A good scale provides consistent results every time it is used, assuming that what is being measured does not change, and reliably measures the concept it is supposed to be measuring.

*CFPB, Measuring Financial Well-Being: A Guide to Using the CFPB Financial Well-Being Scale, 2015.*

### Financial Well-Being Scale

The Consumer Financial Protection Bureau's (CFPB) Financial Well-Being Scale<sup>6</sup> was released in 2015 after a rigorous research process that began with defining the concept of financial well-being as one's ability to (1) fully meet current and ongoing financial obligations, (2) feel secure in their financial future, and (3) make choices that allow them to enjoy life.<sup>7</sup> In developing the scale, the CFPB aimed to create a consumer-driven measure of how people feel about their own financial situations that could be used in a wide variety of research settings, but also by practitioners in community-based organizations. As with the FC Scale, one major goal was to create a common metric that would allow programs to measure client progress over time and eventually compare the effects of different types of interventions.

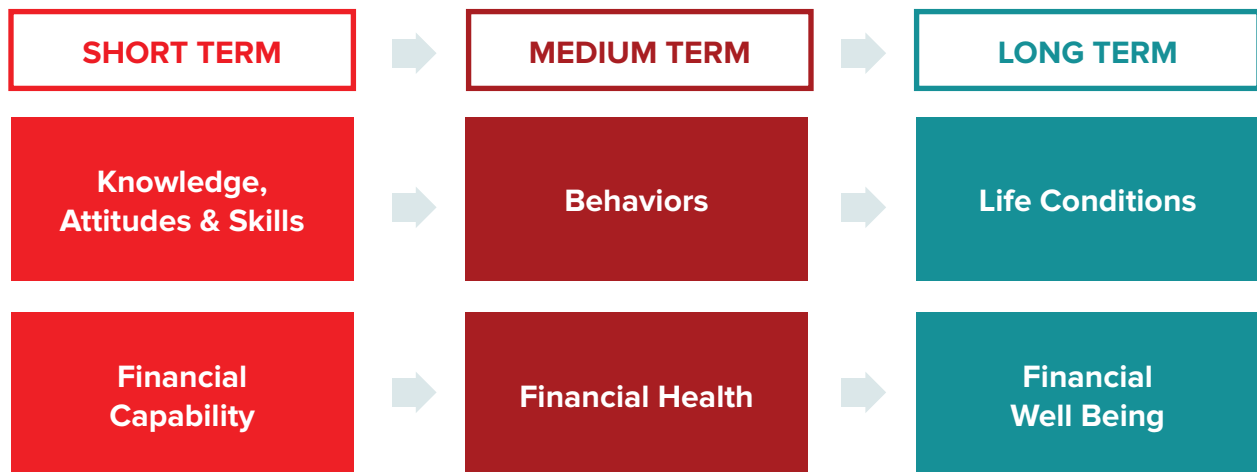
The CFPB used state-of-the-art methods to develop two versions of the scale: a 10-item scale and an abbreviated five-item scale, both of which require a two-step scoring process to sum up the responses and convert the raw total into a Financial Well-Being Score.<sup>8</sup> The scales can be scored using statistical software, but for those organizations that do not have that capacity internally, the CFPB created a scoring worksheet with a look-up table to easily convert the response totals into the Financial Well-Being Score.<sup>9</sup>

## Which Scale Should You Use?

After the FC and FWB Scales became available, questions arose about which scale programs should use, with the assumption that organizations should pick one or the other. However, Prosperity Now recommends considering using both in data collection efforts, as each measures different but complementary concepts that may change over different time periods.

To illustrate this, consider how the concepts fit into a general theory of change of financial coaching or other financial capability services (see Image 1). Through financial coaching and other financial capability services, service providers work with people to build their short-term financial capability, premised on the belief that increased knowledge, skills and attitudes coupled with better access to safe and affordable products and services will lead to changes in behavior (e.g., planning ahead, paying bills on time, saving more frequently). Over time, these changes in behavior can result in improved financial health outcomes for people (e.g., higher credit scores, higher savings balances, less debt).<sup>10</sup> Better outcomes on these traditional financial measures should lead to people to feel better about their financial circumstances, better able to get by in the present and feel more secure about their financial future, thus higher levels of financial well-being.

**FIGURE 1: FINANCIAL CAPABILITY SERVICES OUTCOMES**



As demonstrated by the continuum in Figure 1, the FC and FWB Scales were not designed to replace other measures programs already track, but rather to complement those measures. Of course, no program can or should collect data on every possible measure, and programs should weigh several factors when considering additional indicators in their data collection efforts, such as time burden for clients or the capacity of staff to collect and analyze data. Programs should also develop or refine a logic model to check that the outcome they seek to measure is likely to result from their services. For example, if you operate a VITA site at which the only service clients receive is free tax preparation, you may not reasonably expect that aspect of clients' financial capability (e.g., budgeting, goal setting) would increase as a direct result of your services. However, measuring the financial well-being of clients at a VITA site may help you better understand how clients feel about their financial situation, particularly as it compares to clients participating in other programs your organization may operate.

## IMPLEMENTATION OF THE SCALES

Working with the Prosperity Now team, each Fellow created a data collection plan that described when, how and how often they would collect data using the scales. Prosperity Now recommended incorporating the scales into existing data collection efforts as much as possible, such as adding them to existing intake forms, questionnaires or surveys and entering the data into existing databases. However, this was not feasible for all five organizations, particularly those that wanted to test the usefulness of the scales before fully incorporating them into their data systems and those that could not easily change their data management systems. Additionally, two of the organizations—CASH Campaign of Maryland and Accounting Aid Society—were concurrently participating in a financial coaching pilot with Points of Light, through which data was already being collected using the FC and FWB Scales, so they did not need to adjust their data collection plans. However, Accounting Aid Society did decide to collect additional data using the scales from clients in one of their coaching programs.

### Frequency of Data Collection

As Prosperity Now and the Fellows were interested in measuring clients' progress over time, a key decision that needed to be made was how frequently the scales should be administered to clients. CFS recommends that the FC Scale be administered throughout the client's participation in coaching, at intake, at each meeting with a coach and as a follow-up survey after the client's program participation ends. The CFPB has not recommended a data collection strategy for use of the FWB scale by practitioners, but because Prosperity Now hypothesizes that improving financial well-being is a long-term goal, Fellows were advised to administer the FWB Scale less frequently than the FC Scale, ideally at the beginning and end of the client's participation in financial coaching.

The Fellows determined the frequency of data collection based on the capacity of their staff and coaches, as well as their existing data collection processes and protocols. Three of the organizations decided not to vary the timing of the surveys and administered both to clients at the same time, either at intake and exit exclusively, or on a monthly or bi-monthly basis. The other two organizations decided to administer the FC Scale monthly and the FWB Scale less frequently (see Table 1). The timeframe of the Fellowship did not allow for data collection after coaching had ended for any significant period, so we cannot report on long-term results in this brief.

### Method of Administration

Generally, each of the organizations collected data at intake or at the beginning of coaching through intake forms or surveys completed at orientations or other in-person events. For subsequent data collection, the primary difference in how the scales were administered had to do with who was tasked with administering the scales; in some cases, coaches administered the scales during coaching sessions, while in other instances, program administrators collected data outside of the coaching sessions. The organizations using a model in which staff provided financial coaching as a part of regular and ongoing case management—YWCA Seattle and Goodwill Sacramento—tasked staff with collecting data during coaching sessions. The remaining organizations used volunteer coaches that met with clients outside of other programming and tended to collect data through surveys administered directly by the program staff.

**TABLE 1: DATA COLLECTION METHODS**

| Organization   | Target Population  | Coaching Model                                    | Mode of Delivery                       | Frequency                   |                             |
|--|--|---|--|-----------------------------|-----------------------------|
|  |  |   |  | FC Scale                    | FWB Scale                   |
| Accounting Aid Society                                     | Low- and moderate-income clients in Detroit, MI                      | Volunteer coaches                                 | Mix of paper and online surveys        | Monthly                     | Monthly                     |
| CASH Campaign of Maryland                                  | Low- and moderate-income clients in Baltimore, MD                    | Volunteer coaches                                 | Mix of paper and online surveys        | Baseline and exit           | Baseline and exit           |
| YWCA Seattle King Snohomish                                | Workforce development clients in Seattle, WA                         | Paid coaches (integrated into workforce services) | Paper surveys during coaching sessions | Baseline, 2, 4 and 6 months | Baseline, 2, 4 and 6 months |
| Hopeworks 'N Camden  | Youth workforce development clients in Camden, NJ                    | Volunteer coaches                                 | Online surveys                         | Monthly                     | Every 3 months              |
| Goodwill Industries of Sacramento Valley & Northern Nevada | Workforce development clients in Sacramento, CA, and northern Nevada | Paid coaches (integrated into workforce services) | Paper surveys during coaching sessions | Monthly                     | Baseline and exit           |

## DATA COLLECTION & RESULTS

Between February and August 2017, the five organizations in the Fellowship collected data on the financial capability of 114 clients and the financial well-being of 97 clients. The programs collected follow-up data on financial capability for 63 (55%) clients, and for 24 (21%) of those clients, we have financial capability scores at three points in time: baseline, an interim point during coaching and a final period. Follow-up data for financial well-being are available for 40 (42%) clients, including 17 (18%) with an interim data point collected during the coaching process.<sup>11</sup>

Across all five programs, average financial capability and financial well-being scores increased during and after coaching. At intake or at the beginning of coaching, the average financial capability score for all clients was 3.9 out of 8, which is similar to the baseline results found in evaluations of other financial coaching programs.<sup>12</sup> The average financial well-being at baseline was 48.1 out of a possible 100. While there is not currently national financial capability data to which we can compare these scores, the CFPB recently released the results of a

national survey of financial well-being. The average for clients in these programs was lower than the national average score of 54, but is comparable to those in low-income households: the average score for people making below 200% of the federal poverty level is 47.<sup>13</sup>

**TABLE 2: BASELINE SCORE BY SCALE**

| Scale                | N   | Average Score | Scale Range |
|----------------------|-----|---------------|-------------|
| Financial Capability | 114 | 3.9           | 0 to 8      |
| Financial Well-Being | 96  | 48.1          | 0 to 100    |

To identify changes over time, we analyzed the data for only those clients for whom we had baseline and follow-up scores so we could examine average changes for individual clients, rather than just program averages. Baseline scores for these clients were slightly higher than all clients as a whole—4.1 for financial capability and 51.6 for financial well-being.

**TABLE 3: AVERAGE SCORES OVER TIME BY SCALE (FOR CLIENTS WITH DATA OVER TIME)**

| Period   | Financial Capability |            | Financial Well Being |            |
|----------|----------------------|------------|----------------------|------------|
|          | N                    | Avg. Score | N                    | Avg. Score |
| Baseline | 63                   | 4.1        | 40                   | 51.6       |
| Interim  | 24                   | 4.8        | 17                   | 54.8       |
| Final    | 63                   | 5.3        | 40                   | 54.1       |

Between baseline and the final data collection point, financial capability scores increased an average of 1.2 points to 5.3 (see Table 4). These changes are not statistically significant, but they are in line with increases in financial capability seen in other financial coaching programs.<sup>14</sup> Additionally, financial well-being increased 2.5 points between baseline and final data collection to an average of 54.1, putting it on par with the national financial well-being average.

When you examine the data for the small number of clients for whom we had additional data collected at an interim point during financial coaching, we find that the scores for either scale did not increase steadily throughout coaching. The increase in score was greatest in the beginning of the program, and then the rate of increase slowed. In the case of financial well-being, the average score actually decreased slightly (falling 1.4 points) after the initial increase. Although we observed this pattern with only a small number of clients (and the changes were statistically insignificant), it is worth considering what these changes might mean. Perhaps these changes indicate that clients take more actions when they first start working with a coach or feel more positively about their financial situations when actively working with a coach. Future evaluations should explore whether these patterns are replicated when data are collected for larger sets of clients or in other coaching programs.



**TABLE 4: AVERAGE CHANGES IN CLIENT SCORES BY SCALE**

| Period                              | Financial Capability | Financial Well Being |
|-------------------------------------|----------------------|----------------------|
| Baseline to Final Collection        | 1.2<br>N-63          | 2.5<br>N-40          |
| Baseline to Interim Data Collection | 0.7<br>N-24          | 2.8<br>N-17          |
| Interim to Final Data Collection    | 0.4<br>N-24          | -1.4<br>N-17         |

## LESSONS LEARNED

Throughout the Fellowship, Prosperity Now gathered feedback from the Fellows, other staff and coaches (and, in a few instances, clients) on their experience with integrating the scales into their data collection processes and on the scales themselves.<sup>15</sup> Below are the key observations and lessons learned during the six-month data collection period.

### Scales as a Coaching Tool

Through integrating the FC and FWB Scales into financial coaching programs, the Fellows found that clients respond to the scales in different and sometimes unexpected ways. Additionally, the implementation of these scales can serve to kickstart conversations about financial topics.

### How Clients Respond to the Scales

While all the Fellows were willing to collect data using both the FC and FWB Scales, there was some concern that clients would find the questions in the scales intrusive or upsetting, particularly the questions in the FWB Scale. Staff from the two organizations that planned to administer the FWB Scale within coaching sessions worried that clients would react negatively to the questions, which could in turn impact clients' confidence, their progress in the program and their relationship with their coach.

To address these concerns, one organization had all staff answer the questions themselves so they could explain the experience to their clients, and the other held a staff meeting dedicated to figuring out how to explain the use and purpose of the scales to their clients. Both organizations advised staff to not review the clients' answers to the scales in the first meeting or coaching session in case the information felt too personal. Instead, they encouraged staff to return to the results of the scales during a later session.

These concerns about clients' reactions to the scales bore out in some situations and not in others. One organization reported that they saw some clients feeling defeated by the questions in the FWB Scale and refused to answer some of the questions at the beginning of coaching. However, staff used this as an opportunity to talk about what progress clients could expect if they took certain steps to improve their financial well-being. Another of the participating organizations found that clients reacted well after staff explained why they were collecting the information and how it related to their success in achieving their goals. Prosperity Now

interviewed a few clients about the scales and responses were generally positive. None of the interviewees themselves found the scale questions difficult or unpleasant to answer, but a few did note that they might feel differently if they were struggling financially.

### **Using the Scales to Supplement Coaching**

Both staff and clients felt the scales were useful tools for starting conversations between coaches and clients. Staff noted that discussing the scales provided an easy transition into financial topics and allowed staff to have deeper conversations with clients about particular topics. Discussing the scales also allowed staff to get a sense of where clients were starting and their stress levels. Several of the client interviewees also noted that they would prefer to answer the questions in a one-on-one conversation with a coach so that they could discuss their questions and strategies for improving. One interviewee noted that a discussion of the questions could be helpful for dealing with trauma related to financial issues.

In one case, the process of data collection itself proved to be helpful in the coaching process. One of the organizations collecting data outside of the coaching sessions noticed that clients who were doing better were generally quicker to respond to the survey; higher scores came in more quickly than lower ones. Staff believed this was due to an element of shame on the part of the clients who were struggling. This bias toward “successful” clients being more likely to respond has been documented in prior studies,<sup>16</sup> but this organization used survey non-response to identify clients that might have benefitted from additional follow-up and support.

In our analysis of the data across programs, Prosperity Now observed that, on average, baseline scores of both financial capability and financial well-being were lower for clients that did not provide follow-up data than for those that did. The differences were not statistically significant so may be due to chance, but future research should explore whether clients with lower financial capability or financial well-being are less likely to stay engaged with the program. If this is the case, baseline scores could be useful in identifying clients who may need additional support or connections to additional resources.

Organizations considering using the FC and FWB Scales should test with clients when and how the questions are asked to ensure that the process fits within their program structure and their other data collection efforts. However, it does seem that the scale data and the scale questions themselves can add value to the coaching experience, irrespective of whether clients’ reported financial capability or financial well-being increase. If data are not collected within the context of the coaching session, program administrators may consider sharing the scores with coaches so they can better understand their clients’ financial situations and which resources or support may be best to offer.

### **Administering & Scoring the Scales**

Generally, the organizations found that administering the scales to their clients added some additional burden to both staff and clients. Clients were required to fill out additional, albeit short, surveys, while most organizations had to invest more staff time to manually enter the data into their systems or devise different methods for storing data if they couldn’t tweak their existing databases.

In addition to the time burden of collecting new data, the FC and FWB Scales require responses to be scored. Some of the organizations had staff manually score the scales as they were entering the data into their systems, while others did not score responses until the data were being analyzed. Only one organization developed a

way to automatically score the data as they were being collected. Additionally, one organization was unable to calculate a score for financial well-being because of missing data for several of the questions, as any missing data makes the Financial Well-Being Score inaccurate if you are using the scoring worksheet to score the responses.<sup>17</sup>

Each of the organizations shared client-level data with Prosperity Now for analysis, and we observed that all programs encountered problems with scoring the responses to the scales. We saw more issues with the FWB Scale scores, as the two-step scoring process is more complicated than the simple summed score of the FC Scale. Nevertheless, there were mistakes made in scoring both scales. The most common issues were incorrectly scoring reverse-coded questions—those for which the response options values are the opposite of other questions. For example, in the FC Scale, answering “Yes” is the positive response for most questions and equals one point. However answering “Yes” to the question, “In the last two months, have you been charged a late fee on a loan or bill?” is the negative response, so “Yes” is worth zero points in this instance.

After reviewing the data from these five organizations, Prosperity Now recommends organizations develop systems to cut down on data entry and scoring errors, including possibly separating the tasks of data entry and scoring the scales, if the scoring rubric cannot be built into existing databases. If manual scoring is necessary, staff scoring the scales should be trained, and the data should be checked to ensure that scores are calculated correctly and consistently. The CFPB created an online tool with which consumers can take the FWB Scale and receive a score.<sup>18</sup> Programs could use this same tool to score the scale results and check calculations, or if there are not other alternatives, as a data collection tool with clients.

## Collecting Data Over Time

One of the most difficult issues facing organizations when it comes to measuring client outcomes is tracking change over time. The key question is generally some variation of, “What counts as progress?” Both scales provide a simple, quantitative answer to this question—higher scores mean a client has a higher level of financial capability or financial well-being. While the scales do give programs a measurable indication of whether and how a client’s financial capability and well-being have changed, organizations still faced the typical challenges associated with collecting follow-up information from clients. Clients exiting the program early or not responding to surveys once they were finished with the program become, in essence, immeasurable.

Two of the Fellows implemented strategies to increase client response rates to follow-up surveys. One organization found that response rates to follow-up surveys increased when both coaches and clients were informed beforehand that the survey was coming and given information about why the data were important to collect. Another participating organization began to collect final data one month before clients completed the program—at approximately the five-month mark—as collecting data once they had exited the program was proving too difficult. This organization also saw higher response rates when they moved the responsibility for collecting the data from the volunteer coaches to a staff member outside of the coaching session.

## Analyzing & Using the Data

All organizations in the Fellowship use the data they collect internally—including the results from the FC and FWB Scales—to track client progress, monitor program performance and promote their programs to funders, potential clients and coaches. Several Fellows noted that during the six-month data collection period, they were already using the interim data from the scales to assess the outcomes of different programs or methods of service delivery (e.g., formal vs. self-directed instruction).

At the end of the Fellowship, most of the participating organizations were still collecting data from clients and had not had a chance to fully analyze the follow-up data they collected. However, all Fellows reported that they planned to continue collecting data with at least one if not both of the scales. Two Fellows planned to implement both scales in their data collection, one planned to implement the FWB Scale across all of their agency's programs, and the final two planned to continue using the FC Scale but were undecided about the FWB Scale. Client and staff reactions to the FWB Scale were an ongoing challenge for one organization, but the Fellow from the second organization noted that she did not really know what to do with the scores from the FWB Scale. Looking at how scores change for individual clients over time could be useful, but interpreting an FWB Scale score for an individual at one point in time or overall program averages was not very meaningful to her as she did not know how to explain the scores to clients, funders or other stakeholders. The CFPB published the national data against which programs could benchmark client scores and program averages after the Fellowship ended, so this Fellow's perception may change now that this information is publicly available.

## RECOMMENDATIONS FOR PRACTITIONERS

Using the two scales within financial coaching programs led to key insights about how clients perceive the scales, how the scales can be used to supplement the coaching experience, the frequency of data entry and scoring errors, and the data collection burden. In reaction to these findings, we've detailed our recommendations for implementing the two scales below:

### **When administering the scales, organizations should consider the best way to integrate them into the coaching and organizational processes.**

Organizations considering using the new scales should experiment with clients to determine when and how the questions are best asked to ensure that the process fits within their program structure and their other data collection efforts. If the data are not collected within the context of the coaching session, program administrators may want to consider sharing the scores with coaches so that coaches better understand their clients' financial situations and which resources or support may be best to offer.

### **Organizations should consider using the scale data and the scale questions themselves to supplement the coaching experience.**

While the questions may elicit some anxiety among clients, they also can serve to open discussions about issues clients are facing in their financial lives. Moreover, low initial scores or the lack of scale completion by clients may indicate that these clients need additional support from coaches.



### **Organizations should ensure correct and consistent calculation to mitigate against data entry and scoring errors.**

If possible, organizations should build a scoring rubric into the data collection tool or database system to make scoring the scales easy and automatic. If building the rubric into the database is not a possibility, consider separating the tasks of data entry and scoring the scales to improve quality control. Keep in mind that any staff involved in scoring the scales should be trained, and data should be checked on an ongoing basis to ensure that scores are calculated correctly.

### **Organizations may consider some of the strategies employed by the Fellows to increase survey response rates.**

This might include:

- ◆ Informing both coaches and clients when the survey is going to be employed and why it is an important exercise.
- ◆ Collecting follow-up data before the clients complete their coaching periods, as reaching clients after completion can be difficult.
- ◆ Having a staff member outside of the coaching sessions collect the information, reducing the burden on the coaches and possibly easing the comfort for clients.

- 1 *Tracking Success in Financial Capability and Empowerment Programs* (Washington, DC: Consumer Financial Protection Bureau, 2017), [https://www.consumerfinance.gov/documents/4672/201704\\_cfpb\\_tracking-success-outcomes.pdf](https://www.consumerfinance.gov/documents/4672/201704_cfpb_tracking-success-outcomes.pdf).
- 2 J. Michael Collins and Collin O'Rourke, *Financial Capability Scale* (Madison: Center for Financial Security, University of Wisconsin-Madison, 2013), <https://fyi.uwex.edu/financialcoaching/files/2013/07/FCS.pdf>.
- 3 *Finding A Yardstick: Field Testing Outcome Measures for Community-based Financial Coaching and Capability Programs* (Madison: Center for Financial Security, University of Wisconsin-Madison, 2013), [https://fyi.uwex.edu/financialcoaching/files/2013/07/Report\\_Final.pdf](https://fyi.uwex.edu/financialcoaching/files/2013/07/Report_Final.pdf).
- 4 *Amended Charter: President's Advisory Council on Financial Capability* (Washington, DC: U.S. Department of the Treasury, 2010), <http://www.treasury.gov/resource-center/financial-education/Documents/PACFC%202010%20Amended%20Charter.pdf>.
- 5 J. Michael Collins and Collin O'Rourke, *Financial Capability Scale Scoring Instrument* (Madison: Center for Financial Security, University of Wisconsin-Madison, 2013), [https://fyi.uwex.edu/financialcoaching/files/2013/07/FCS\\_scoring.pdf](https://fyi.uwex.edu/financialcoaching/files/2013/07/FCS_scoring.pdf).
- 6 *Financial Well-Being Scale Questionnaire* (Washington, DC: Consumer Financial Protection Bureau, 2015), [http://files.consumerfinance.gov/fi/201512\\_cfpb\\_financial-well-being-questionnaire-standard.pdf](http://files.consumerfinance.gov/fi/201512_cfpb_financial-well-being-questionnaire-standard.pdf).
- 7 *Financial Well-Being: The Goal of Financial Education* (Washington, DC: Consumer Financial Protection Bureau, 2015), <https://www.consumerfinance.gov/data-research/research-reports/financial-well-being/>. Prosperity Now, in partnership with CFS, the Urban Institute, ICF International and Vector Psychometrics, lead the research and analysis to define financial well-being and develop the scale under contract with the CFPB.
- 8 The second step in the scoring process is necessary to compare scores across different age groups and methods of survey administration. For more information, please see the CFPB's guide to using the scale, available at <https://www.consumerfinance.gov/data-research/research-reports/financial-well-being-scale/>.
- 9 Financial Well-Being Scale Scoring Worksheet. For more information about scoring the responses using Stata, see *Financial Well-Being Scale: Scale Development Technical Report* (Washington, DC: Consumer Financial Protection Bureau, 2017), <https://www.consumerfinance.gov/data-research/research-reports/financial-well-being-technical-report/>.
- 10 We are referring to the Center for Financial Services Innovation's definition of financial health and their recommendations for how to measure it. See Sarah Parker, Nancy Castillo, Thea Garon and Rob Levy, *Eight Ways to Measure Financial Health* (Chicago, IL: Center for Financial Services Innovation, 2016), <http://cfsinnovation.org/research/eight-ways-to-measure-financial-health/>.
- 11 The lower follow-up rate for financial well-being data is due in part to one organization not having collected data at clients' exit from the program by the time data were submitted to Prosperity Now for this brief.
- 12 The FC Scale data were collected by The Financial Clinic in a pilot of the measure with its financial coaching clients; the observed baseline score was 3.7. See *Financial Coaching: A New Approach for Measuring Effectiveness* (Asset Funders Network, 2015), [http://assetfunders.org/images/pages/Financial\\_Coaching\\_Webinar\\_July\\_2015.pdf](http://assetfunders.org/images/pages/Financial_Coaching_Webinar_July_2015.pdf). The FC Scale was also used in CFS's evaluation of MyBudgetCoach, and the baseline for those financial coaching clients was 3.96. See J. Michael Collins, et al., *MyBudgetCoach Pilot Evaluation: Final Report* (Madison: Center for Financial Security, University of Madison-Wisconsin, 2016), <https://cfs.wisc.edu/2016/06/02/mybc/>.
- 13 *Financial Well-Being in America* (Washington, DC, 2017), <https://www.consumerfinance.gov/data-research/research-reports/financial-well-being-america/>.
- 14 The Financial Clinic reported an average increase in financial capability scores of 1.4 points after six months, and clients in the MyBudgetCoach evaluation also improved by an average of 1.4 points.
- 15 Feedback was collected through interviews with staff and clients, but also through discussions with the Fellows at in-person and virtual events.
- 16 *The Financial Capability Scale: A Question & Answer Follow-Up to the Webinar* (Madison: Center for Financial Security, University of Wisconsin-Madison, 2015), [https://fyi.uwex.edu/financialcoaching/files/2013/07/Financial-Capability-Scale-Question-and-Answer\\_FINAL.pdf](https://fyi.uwex.edu/financialcoaching/files/2013/07/Financial-Capability-Scale-Question-and-Answer_FINAL.pdf).
- 17 The software-based scoring method for the FWB Scale can calculate scores for respondents with missing responses, and the CFPB recommends this solution for programs and researchers that have access to the software. *Financial Well-Being Scale: Scale Development Technical Report*. Pages 26-27.
- 18 *Find Out Your Financial Well-being* (Washington, DC: Consumer Financial Protection Bureau, 2016), <https://www.consumerfinance.gov/consumer-tools/financial-well-being/>.



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