

Four Elements of

Financial Well-being

Step 4

Asset Building

◀ On track financially to reach your life goals

Step 3

◀ Financial freedom to make choices to enjoy life

Step 2

Transition

◀ Capacity to absorb a financial shock

Step 1

Crisis

◀ Control over your day-to-day, month-to-month finances

The Core of Financial Well-being – Coaching Outline

The Consumer Financial Protection Bureau defines financial well-being as the ability to do four things:

Step 1: Control over your day-to-day, month-to-month finances

- I have high stress around my finances.
- I have more expenses than income.
- I am not able to pay all of my bills on time.
- At the end of the month, I feel like I don't know where my money went.
- My spending doesn't necessarily match up with my values.

Why is this area a challenge?

What barriers need to be addressed to move forward?

NOTES:

Step 2: Capacity to absorb a financial shock

- I have a financial plan for emergencies.
- I put money into a savings account.
- I am able to save money without spending it.
- I am ready to consider financial goals.

How much savings would you need to cover your expenses for 3 months?

What can you do today to be more prepared for emergencies?

Why is this area a challenge?

What barriers need to be addressed to move forward?

NOTES:

Step 3: Financial freedom to make choices to enjoy life

- I have a surplus in my budget.
- I am ready to address my credit & debt.
- I have spending plan that allows me to do things that I enjoy.
- I am confident in my financial decisions.
- I have a financial goal.

What can you do today to improve your spending plan or enhance your financial freedom?

NOTES:

Step 4: On track financially to reach your life goals

What is your financial goal(s)?

(I.e. buying a home, planning for retirement etc.)

Why is this your goal & what motivates you to move forward?

- I have a specific plan for this goal.
- I have a time frame for this goal.

What information do you need in order to reach your goal?

What can you do today to progress toward your goal?

NOTES: