



**MINISTRY OF SOCIAL
DEVELOPMENT**
TE MANATŪ WHAKAHIATO ORA

 **FERNHILL**
SOLUTIONS
WE SOLVE PROBLEMS OTHERS CAN'T

***Building Financial Capability
Client-led Outcomes:
background and technical guide***

June 2021

“There are endless permutations of ‘good’ outcomes. I wish the outcomes tool would let us define what good looks like by recording them in our own words and/or words of the client.”

BFC financial mentor

"For them to do their own goals and us to affirm them, to add value. Then behaviour starts to change – because you're listening. It's about our behaviour and the relationship you have with them."

BFC Kahukura

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Introduction

Background

The Ministry of Social Development (MSD) delivers a suite of services and products that support New Zealanders experiencing financial hardship to develop their financial capability and resilience. The Building Financial Capability (BFC) suite of services take a strengths-based approach to empower people to achieve long-term, sustainable change to their financial wellbeing.

These services are particularly driven to develop financial capability and opportunities for those New Zealanders who are experiencing financial hardship – individuals, families and whānau who either temporarily or over a longer period have insufficiency of resources to meet basic needs (financial hardship), and/or due to resource limitations are excluded from a minimum acceptable way of life in society (material hardship).

The goals of BFC¹ are therefore to:

- Improve the wellbeing of people, their family and whānau
- Improve opportunities and life outcomes for tamariki
- Improve social and economic inclusion

However, MSD recognises that there are challenges with its current outcomes reporting and monitoring framework and that there is a need to develop robust and reliable measurement tools² to ascertain the impact of its services on client outcomes and client satisfaction. Much of the current richness of the qualitative (narrative) data reported by providers is underutilised, and there is some misalignment of captured data.

Purpose of this report

This report is a summary of the approach and process used to develop the final client-led outcomes tool for BFC services, and the context in which the tool should be used. This report outlines:

- Context and approach to design
- Research and engagement to inform design
- Developing a client-led approach
- How to use Client-led Outcomes and the Wellbeing-Hauora Reflection
- Integration into Client Voices and reporting

¹ MSD; *Building the Financial Capability of New Zealanders Experiencing Hardship*

² A tool is a method to collect information/data. For example, a survey, a questionnaire

The following activities are out of scope for this project:

- Delivery of Provider/Service training
- Any IT system and process changes to support operationalisation of the outcome tool ongoing
- Ongoing data collection, analysis, review and reporting

Context and approach to design

Overview of outcomes and measures

An outcomes tool is part of BFC's broader kete of tools that helps to assess whether a service is making a difference in the lives of the people who use them. An outcomes tool helps to show 'what good looks like' for clients, family and whānau. Gathering evidence for change can come via measures incorporated into operational data and provider reporting, as well as specific evaluation and research. Once a baseline of service outputs and outcomes is established, it is possible for an organisation to develop relevant key performance indicators and other targets.

An outcomes tool is embedded into a wider set of measures for clients, providers and MSD. These include:

Measurement area	Method	Description
What	<i>Output measures – typically quantitative</i>	Have we reached the number and diversity of clients we said we would and within budget? What have our service activities produced?
Why	<i>Outcome measures – both qualitative and quantitative</i>	Is anyone better off using our services? How are we making a difference in the lives of clients?
How	<i>Process measures – both qualitative and quantitative</i>	What does great look like and can we do it better? Are we making quality improvements based on evidence?

Outcomes look specifically at what has changed in the lives of clients using a service, either short-medium term (measurable) or longer term (indicated trends).

There are many ways to capture, slice and present this information by choosing different metrics (methods). Choosing metrics is subject to what is possible to capture (e.g. within time, resource and other constraints), and what is feasible to capture (e.g. respecting people who are in distress, only capturing data that is required).

Helping shape 'what good looks like'

Helping to shape 'what good looks like' involves a process of considering different types of evidence, service design and delivery, and people's experience. This includes research evidence, stakeholder preferences and values, providers' (and clients') experience and judgements, and context of service delivery and broader socioeconomic drivers (see figure 1).

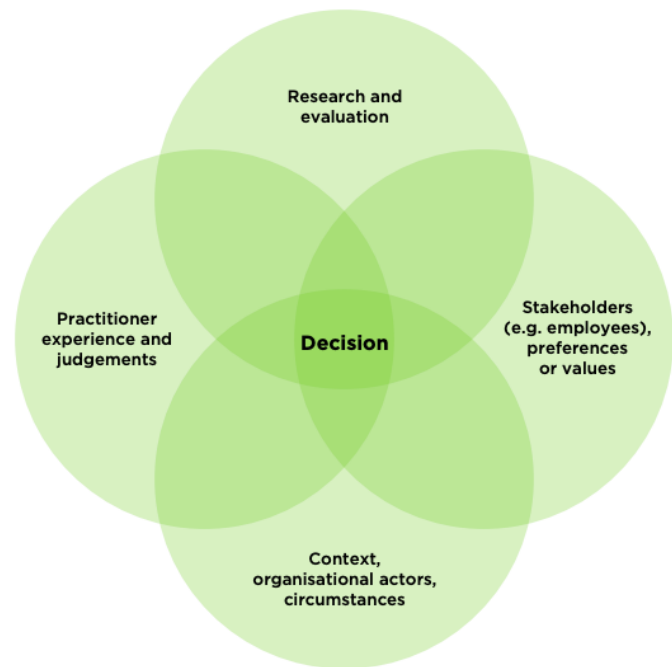


Figure 1: overview of outcomes tool decision making process (adapted from Nesta 2020)

Bringing these areas together supports the development of a measurement tool that:

- provides clear and valuable information to MSD and providers
- reflects actual client-led, strength-based practice and makes sense to providers and their clients
- integrates into frontline BFC service delivery (including integration into Client Voices), and
- is evidence-based, embedded in current financial capability and financial wellbeing research.

An outcomes tool is not static. As government priorities shift over time, and research provides greater insights into building financial capability, outcomes tools and other measures should be revised.

Research to inform design

BFC's vision is to ensure New Zealanders have financial capability and resilience. This includes long term outcomes that aim to improve wellbeing for clients and their whānau; improve opportunities and life outcomes for tamariki; and improve social and economic inclusion. To achieve these outcomes, financial mentors are focused on shifting key drivers of financial wellbeing through a strength-based approach to reducing client debt, improving confidence and capability, improving financial decision making, and creating access to support services and financial products.

Research evidence for financial capability

What does financial wellbeing look like?

Research shows that a third of New Zealanders have low or significantly low financial wellbeing.³ Financial wellbeing is an umbrella term that recognises “finances are inextricably linked with our individual and social wellbeing”.⁴ Low financial wellbeing presents as unmanageable consumer debt, no/low savings, insecure income, increased social isolation, and/or not being able to get by day-to-day without borrowing.

Many people experience high levels of stress and distress with their financial situation; coupled with hopelessness and a sense of shame.⁵

Positive financial wellbeing outcomes are shaped by financially capable behaviours – how we act/what we do; financial mindsets/psychological traits – how we think/what we believe about money and ourselves; and, to a lesser extent, financial knowledge, skills and experience – what we know and what we have experienced.

Positive financial wellbeing includes:

- being able to meet day-to-day commitments without struggle (such as not having to borrow, having enough food, having enough to pay bills)
- being financially comfortable (having left over money, participating in things you enjoy, and more subjectively feeling hopeful and confident, not stressed), and
- having financial resilience – particularly for the future (having savings to withstand unexpected shocks/life events, understand risks, possessing self-efficacy and locus of control).⁶

There has been extensive international research to show how to improve financial wellbeing and the pathways to success. An adaptation of Elaine Kempson's conceptual model shows the inter-relationships and dependencies of behaviour, mindset and knowledge and their contribution to financial wellbeing.⁷

³ <https://bluenotes.anz.com/financialwellbeing/foreword-financial-wellbeing-in-new-zealand>

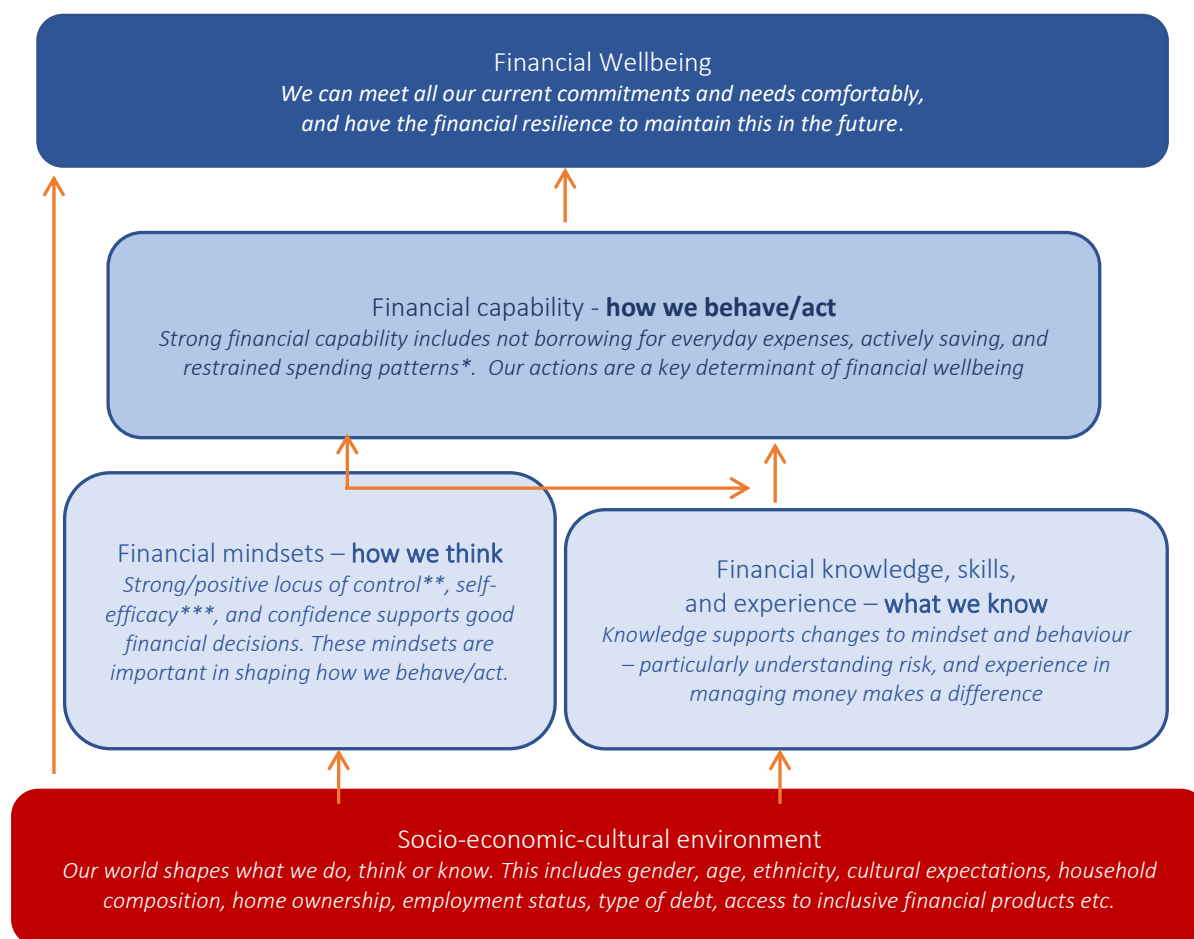
⁴ ANZ; *Financial wellbeing: a survey of adults in New Zealand; 2020*

⁵ CFFC; data note: *effect of financial stress on inter-personal relationships, 2020; Frankham et al, I Do Locus of Control, Self-Esteem, Hope and Shame mediate relationship between financial hardship and mental health; 2020.*

⁶ *Official definition: The extent to which someone is able to meet all their current commitments and needs comfortably, and has the financial resilience to maintain this in the future (Kempson et al 2017, 19)*

⁷ *Kempson is an internationally recognised expert on the drivers of financial wellbeing, particularly in the areas of financial capability, financial inclusion, over-indebtedness and consumer protection. Research by Kempson et al (2017) is a major influence on defining, measuring and testing characteristics of financial wellbeing.*

Figure 1: adaption of Kempson's Conceptual Model of Financial Wellbeing (2017)



Source: Kempson et al 2017, Muir et al 2017 *⁸ see footnote **⁹ see footnote ***¹⁰ see footnote

What does good financial capability look like?

Financial capability is the ability to make informed judgements and effective decisions in using and managing money, now and for the future. Good financial capability is reliant on both individual actions and broader social structures and supports.

Research shows three key behaviours are fundamental to improved financial capability.¹¹ These are:

- ▾ Not having to borrow for day-to-day expenses
- ▾ Actively saving
- ▾ Spending tendency/restraint

These behaviours reflect survey findings from BFC providers that the top behaviours driving positive outcomes for their clients include¹²:

- ▾ Creating a budget to stabilise their day-to-day expenses (n=66)

⁸ In addition, Kempson noted three other financially capable behaviours that influence Financial Wellbeing outcomes but to a much lesser extent in the current research: planning how to use your income; keeping track of money; and informed product choice.

⁹ Locus of control – how strongly people believe they have control over a situation and experiences that affect their lives

¹⁰ Self-efficacy – is a person's belief in their ability to succeed in a situation

¹¹ Kempson et al 2017. In addition, Kempson noted three other financially capable behaviours that influence Financial Wellbeing outcomes but to a much lesser extent in the current research: planning how to use your income; keeping track of money; and informed product choice.

¹² See Appendix 4 for a summary of survey findings. The email invitation was sent to a total of 132 providers who had the option of forwarding directly to staff; 76 responded to this question out of a total of 99 respondents.

- ▼ Understanding their debt and making a plan to reduce it (n=61)
- ▼ Discussing and creating goals that are meaningful to their lives (n=46)
- ▼ Learning new ideas about how to reduce day-to-day spending (n=37)

Research also shows shifts in these behaviours are influenced by how much control a person believes they have over a situation, their self belief in their ability to succeed, and confidence in making financial decisions. Similarly, survey results from BFC providers also noted that the mindsets that supported the client journey included:

- ▼ Being empowered (and supported) to make good money decisions (n=52)
- ▼ Feeling the weight of money stress lifting as they take action (n=52)
- ▼ Sharing their concerns with someone they can trust (n=45)
- ▼ Seeing a life without debt or money stress is possible (n=35)
- ▼ Focusing on strengths – what they can do (n=31)

Provider and stakeholder engagement

The aim of the stakeholder engagement was to understand what positive financial capability looks like "on the ground" and how it played out in the lives of clients and their whānau.

Providers are experienced in supporting clients and whānau in financial crisis and hardship. They are at the front-line of building strength-based financial capability, and shifting people's financial behaviours, mindsets and knowledge. Understanding their experience, and their clients', is important in contextualising the research to a specific Aotearoa context, and delivering an outcomes tool that is relevant to lived experiences and service delivery.

There was a level of hesitancy in providing direct interview access with clients in the time allocated, particularly in terms of respecting client privacy. High levels of trust had been established with many providers and their clients, particularly in terms of discussing money challenges, and providers felt confident they could accurately and empathetically represent the wide range of needs they saw.

Conversations with stakeholders helped place the outcomes tool in its wider strategic context including the newly designed National Strategy for Financial Capability (CFFC), and cross-sector initiatives (BNZ, MPI, Salvation Army).

Debt Solutions providers were interviewed to ascertain the relevance of a new outcomes tool to their service delivery. The findings from these interviews are reported separately in Appendix 3.

Overview of interviews

Close to 30 BFC providers were contacted via email for an opportunity to take part in an interview; 17 responded as available for engagement within the time constraints. Selection was based on location, demographic diversity of clients, variation in size of organisation, financial mentor/wrap around/BFC Plus services, and availability.

In addition, work from previous interviews with ten Kahukura across Aotearoa informed our understanding of outcomes.

Engagement with cross-sector and cross-agency expertise included Commission for Financial Capability, FinCap, Ministry for Primary Industries, Debt Solution organisations including Nga Tangata, Good Shepherd, DebtFix and Christians Against Poverty, the Salvation Army national service delivery team, and BNZ sustainability and financial inclusion team.

Process for face-to-face engagement

During the engagement process we quickly identified that providers were hesitant to speak on record and so the interviews were adapted into semi-structured conversations and handwritten notes. The purpose of the interviews was to guide the development of the outcomes tool and the design of a survey tool that would go out to all providers. In particular, we were interested to understand the practical administration of the current outcomes tool, its strengths and weaknesses, and how it could be improved or replaced to provide a better experience for both clients and providers.

Semi-structured questions considered the following:

Outcomes: mapping thoughts, feelings and actions

- What is the socioeconomic and cultural space of your clients and their whānau?
- What does 'good' look like and feel like for clients and their whānau (in terms of financial capability and the wider role of money in the life of clients)?

Process	<ul style="list-style-type: none"> • How are client outcomes and satisfaction measures currently administered? • How are clients followed-up in the longer term?
System	<ul style="list-style-type: none"> • What client management systems do you use? • How is the data collected from clients and entered into the system?

In the interests of provider time, interviews were kept to under an hour unless directed by providers to continue.

The notes from conversations were clarified with providers either during the interview or afterwards, and summarised under three broad question themes including:

Outcomes	What good looks like for the client, language of outcomes, shifts and timing.
Process	Including administration of current COMT during sessions, administration of Client Voices, reporting process to MSD.
Service design	Including referral system, process of engagement with clients, goal setting, impact of foodbank, dropout rates and engagement, relationship with Work and Income.

Where providers indicated they would like MSD to know the details of an email or conversation, this was forwarded to MSD with provider permission.

Summary of findings from interviews

Understanding the reality of lived experience from the perspective of providers gave a wide range of themes and perspectives. The following section gives an overview of findings from the provider interviews in regard to the client journey, administering COMT (and what to avoid), and the way forward. A more detailed summary of the interviews is included at Appendix 4.

Key feedback theme	Detail
Clients engage with BFC services for many reasons	<p>Clients engaged with BFC services for various reasons. Currently, many clients engage in a one-off service for a particular problem. For example, to receive a budget for housing, or to get access to the food bank. Some clients are persuaded to continue.</p> <p>Other clients were engaging longer term to change their financial situation. Kahukura typically saw clients for the long term, and it took many sessions together to establish initial trust and engagement that would sustain longer term holistic change.</p>
Many clients arrive in distress	<p>Many clients to BFC services are in an immediate financial crisis or desperate situation – the first step is establishing a trusted relationship with financial mentors who are empathetic and listen. Some clients suffer mental health challenges, anxieties, or are highly sensitive or shamed by their inability to cope. Their first act of bravery is entering the service and asking for help.</p>

Key feedback theme	Detail
At their initial meeting, when often in distress, clients are asked to complete a series of questions: "About your situation"	Providers typically ask clients to fill out the COMT at the beginning of their first session (or close enough). They try to do this in the most sensitive manner. Many clients have low literacy and some clients have English as a second language.
Providers were aware they needed "two ticks" to count – even though they were relatively meaningless to many	Providers were aware they needed a second completion of COMT in order to deliver reporting numbers to MSD. Some asked clients to complete COMT at the beginning and end of the same session, others over several sessions. It was variable and driven by reporting numbers, not the needs of the client or rigour of the data collection.
Providers felt awkward about asking 'about our services' questions	<p>A series of questions are typically asked of clients at the end of a session and are completed on paper in front of the provider, who sometimes must explain the question – particularly if English is a second language.</p> <p>Most providers are relatively embarrassed to administer "about our services" but try to make it as comfortable as possible for everyone.</p>
Improvements to client wellbeing that aren't captured on the COMT	The greatest change that many providers noted as clients progress towards their financial capability goals is a shift in attitude and/or subjective wellbeing (happiness/life satisfaction). This is currently not captured in COMT.
Frustration with Client Voices	<p>Client Voices (CV) is the key client management system used by BFC providers. However, for many providers there was a degree of frustration with the functionality and capability of CV, particularly in comparison to the older version. This included:</p> <ul style="list-style-type: none"> • Unable to navigate and use the system intuitively, and with ease. • Limited functionality for searching and reporting using a variety of filters. • Limited page view of the COMT so could not reflect back to clients their progress or incorporate COMT into service delivery in a meaningful way. • Lack of confidence with data capture.

Overview of online survey

Audience - BFC managers, financial mentors and Kahukura

To ensure all providers and staff were given the opportunity to participate in the new outcomes tool, and lend their expertise, a survey was forwarded to all BFC providers in March 2021.

Two surveys were designed in SurveyMonkey. The survey items were structured around key themes from both provider and stakeholder interviews and financial wellbeing research with a focus on testing what we had heard and expanding our knowledge of both future outcome and client

experience/satisfaction priorities across all providers.¹³ We aimed to keep the survey focused and directed toward outcomes, and completed in under ten minutes.

Summary of findings from surveys

A key objective of the surveys was to try to unravel what good looks like for clients in terms of achieving their goals and outcomes, and what drives this success. We asked BFC providers, who have supported many thousands of New Zealanders to improve their financial capability, to contribute. We received 99 responses from 132 invitations to BFC providers, 84 of these were from financial mentors.

Well-experienced and diverse workforce

Financial mentor survey respondents were predominantly financial mentors with six or more years' experience. Managers also took the opportunity to engage with the survey. There was significant diversity of ethnicity across survey participants.

Kahukura were predominantly Māori and approached their work holistically

The Kahukura survey had 16 responses and was completed by both Kahukura (11) and their managers (5). The majority of survey respondents were Māori, with 1-5 years' experience as Kahukura representing six regions across Aotearoa.

BFC Provider feedback

Key feedback theme	Detail
Limited engagement from some clients impacts outcomes	<p>Many providers noted that clients often attend for only 1-2 sessions – and often this means not completing two points on the COMT. We sought to understand the main drivers for this as it is currently reflected negatively in reporting.</p> <p>The main reason clients give for not returning to the service on follow-up included having their needs met in 1-2 sessions or feeling like they didn't need to continue. Many had more immediate daily challenges to deal with.</p>
Budgeting and understanding debt are key drivers of good outcomes	<p>The first point of financial intervention for most mentors was creating a budget for the clients to visually see incomings/outgoings, and clearly work out remaining money. This often led to contacting creditors, trying to reduce debts owing, trying to increase income, utilising all avenues of support, and changing spending patterns.</p>
Goal setting shapes positive outcomes	<p>Most financial mentors used some form of goal setting to drive positive outcomes. Providers note that "good" goal setting for clients included individualisation - achieving goals relevant for each whānau, no matter how small. There was frustration that the only tracking of goals was via case notes with no clear overview of progress.</p>
Being empowered, lifting money stress and sharing concerns were key	<p>Financial mentors deliberately focused on client strengths as a starting point and worked to establish trusted relationships to empower the client. Providers noted that emotional/attitudinal</p>

¹³ The client experience rankings were based on extensive research that has taken place in the Health Sector in terms of key components of client experience. For example, the Picker Institute (2009) identified key areas in health service experience that are important to people.

Key feedback theme	Detail
motivators/ mindsets supporting good outcomes	change was a major outcome for clients, and it would be good to be able to express this in their reporting in a valuable way.
Influence of whānau and church/community/religious organisations was strong	Financial wellbeing research clearly shows that socio-demographic influences shape financial capability. Although the survey did not focus on all socio-cultural influences, that of whānau and community were broadly considered.
Language of outcomes tool to reflect lived realities	Nearly all providers who were engaged face-to-face commented they had to explain the outcome questions to clients and put them into an understandable language. For example, "we have enough to meet our basic needs and obligations" was changed to "can you afford rent, food and power this week". Many providers had already shifted the language in the outcomes tool to reflect the realities of clients.

Kahukura feedback

Kahukura have a very different approach to service delivery, client engagement, and client outcomes although still coming from a strength-based perspective. Generally, deep listening, client assessment and ensuring safety of children and whānau are critical first steps.

Key feedback area	Detail
Goal setting is a driver of change	The work with whānau centres around goals. Goal setting takes many forms but all Kahukura noted they use various methodologies and approaches to setting goals with clients including those embedded in Te Ao Māori.
Kahukura work with complex challenges and narrative reporting is preferred	Kahukura have a complexity with reporting due to the nature of their work. This involves working with clients across the spectrum of needs including financial distress, housing stress, homelessness, wellbeing and mental health, relationships, as well as financial capability. As such the current outcome tool is relatively ineffective and meaningless to Kahukura and their clients. Narrative reporting remains the preferred version of reporting outcomes.
For Kahukura, reducing day-to-day spend, learning new skills and creating a budget to stabilize were drivers of positive outcomes	The top four behaviours/skills that help drive positive outcomes for their clients are: <ul style="list-style-type: none"> • Learning new ideas about how to reduce day-to-day spending • Learning new skills to make good money decisions • Creating a budget to stabilise day-to-day expenses • Discussing and creating goals that are meaningful to clients
Kahukura clients required emotional supports as well as having someone walk with them	The top four emotional supports for Kahukura clients are: <ul style="list-style-type: none"> • Sharing their concerns with someone they can trust • Having someone walk with them to help stabilise their money stress • Seeing that a life without less debt and stress is possible • Being empowered (supported) to make good money decisions

Lessons learned and way forward

What the research and engagement tells us is that although there are similarities between client journeys through BFC, each client brings with them their own unique set of financial circumstances and challenges to address in their own unique way.

Providers respond to these needs in a strength-based manner, developing goals and outcomes in line with what is meaningful for clients. Strength-based approaches have been shown to promote an increased sense of subjective wellbeing (Park and Peterson, 2006).

Lessons learned: outcomes

All outcome measures rely on collecting data from individuals, families and whānau. Outcomes represent the journey of New Zealanders as they build their financial capability and improve their wellbeing. As such, outcomes should also be reciprocal and reflect what clients, family and whānau have achieved. They should nurture, restore and uphold mana, and empower and support clients to take the lead in their money journey.

The collection of data should be sensitive to client needs and support positive data engagement practices, and avoid deficit and cost-based language. A future outcomes tool should:

- ✔ support strength-based practice and individual goals and progress toward improving financial capability, while respecting cultural diversity and outcomes
- ✔ reflect changes in emotional states and attitude as a result of engagement with financial mentors and Kahukura
- ✔ collect data in a respectful and mana-enhancing way for both clients and providers
- ✔ deliver meaningful information to both clients, providers and MSD.

Lessons learned: client satisfaction

Current client satisfaction measures that are reported to MSD are of minimal value to understanding client journey and quality improvement. Current metrics are not necessarily reliable nor reflect best practice data collection and analysis. A future client satisfaction measure should:

- ✔ be simple, targeted and useful to quality improvement
- ✔ better reflect best practice and existing benchmarked metrics
- ✔ incorporate both quantitative and qualitative feedback for better quality improvement.

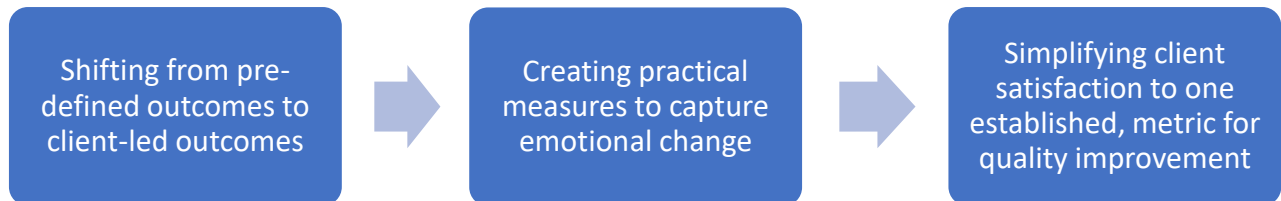
Lessons learned: data collection and analysis

Much of the richness in any data collected relies on the quality of analysis, and cross-analysis. By expanding the reporting capability of Client Voices, client data can be used to tell more than a linear story of engagement; but build a more complex picture of client engagement, outputs and outcomes. A future Client Voices should:

- ✔ be user-centred, reliable and intuitive
- ✔ show client journey and progress (on a page)
- ✔ deliver multiple reporting options and cross-analysis of data (including using budget data).

Developing a client-led approach

In developing a new set of tools we considered and workshopped what we had read, what we had heard, and what was possible to achieve now and into the future. We looked at three key changes:



A shift to client-led outcomes

A move toward client-led outcomes can provide MSD with consistency across BFC services by focusing not on a pre-determined set of questions, but on client goals and progress towards achieving these goals. This approach caters to strength-based services that collaboratively build on the strengths, experiences, aspirations and interests of clients to support their financial capability journey. Client-led outcomes have found to correlate with improvements in emotional states, and motivation to engage and progress (Lloyd et al 2019, Edbrooke-Childs et al 2015).

Client-led outcomes enable clients to track what is potentially the most important thing to measure in any intervention:

Is this service helping you make progress towards the things that you really want help with?¹⁴

Financial mentors and Kahukura can flexibly incorporate the approach into their practice, adapt it to individual, family and whānau-level approaches, and reflect back to clients, family and whānau their progress.

Overview of client-led outcomes

Engagement with providers and stakeholders shows two main outcome streams for BFC clients:

- ▼ changes to behaviour and knowledge/skills (for example, increasing savings, reducing debt), that often lead to, or are preceded by,
- ▼ changes to attitudes and mindsets (for example, less stress, more confidence, hope for the future).

A short, simple approach to measuring changes across both these streams has been created to provide financial mentors and Kahukura the simplicity and flexibility they need to engage with a wide variety of clients.

The approach consists of two parts, and together they make up client-led outcomes.

¹⁴ Dr Duncan Law (2015), *leader in goal-based outcomes (UK)*

Part A: Client-led outcomes (progress towards goals)

Although there are multiple, diverse client-centred tools used in clinical, social sector and educational settings, our engagement and research shows that the one that aligns most closely with BFC and its service delivery focuses on goal-based outcomes and is based on the work of Law and Jacob (2015) and Law (2018).¹⁵ The simplicity of the goal-based tool and the ease with which it integrates into service delivery is reflected in the new client-led outcomes tool that focuses on financial capability.

Part B: Wellbeing-hauora reflection (shifts in attitudes/mindset)

Measuring client-led outcomes is supported by a short final-session series of questions that asks the client to reflect on short-term changes to their wellbeing-hauora. The shape of these questions reflects, once again, financial wellbeing research, and engagement with financial mentors and Kahukura who daily see changes to mana, confidence, relationships and hope experienced by whānau as a result of engaging with their services.¹⁶ The methodology adopts a pre-post single survey design approach.

The process to administer BFC client-led outcomes is relatively straight forward and can form part of everyday service delivery.¹⁷ They are built to be used with discretion and sensitivity, and respect for client engagement.

See Appendix 1 for paper-based documents (shaded) to be used in sessions whilst Client Voices is in development.

¹⁵ See Lloyd et al (2019) for a systematic review of all client-centred / client-led approaches to measurement. The goal-based approach is ideographic (that is based on an individual's unique goals), ipsative (ratings are compared to the person, not an external rating system), and can be used at any age. It has a suggested reliable change index of 2.45.

¹⁶ There are many resource intensive ways to capture changes to subjective wellbeing. However, these are not feasible to BFC service delivery. The approach adopted for BFC is a reflective survey that is administered once only at the final or near-final client session, and shows clients perception of changes they have experienced. Once again, respecting the lived experience of clients.

¹⁷ For information on how the original GBOs tool is used please refer to <https://goalsintherapycom.files.wordpress.com/2019/02/gbo-version-2.0-guide-final-1st-feb-2019.pdf>

How to use BFC reporting

Part A: How to use the Client-led Outcomes Tool

The objective is for clients to set their own financial capability goals, and then to track their progress towards achieving these goals at subsequent sessions. A positive outcome is progress toward achieving goals.

Step 1: Creating and recording client goals

Create a minimum of one goal, and maximum of three goals, with your client. Each goal is recorded on a separate *Client-led Outcomes* page.

When to discuss goals with clients

Creating and tracking progress towards goals has been shown to improve motivation and engagement with making positive change. For financial mentors, goals may be discussed in the first session with clients, but more realistically they are developed after establishing a good working relationship and understanding of current financial situation (2 plus sessions). This will be longer for Kahukura.

The flexibility of timing to establish goals acknowledges that many clients are in an immediate financial or other crisis. Many clients have mental health challenges, anxieties, or are highly sensitized and feel shame by their inability to cope. Their first act of bravery is entering the service and asking for help. Therefore, the first step with the financial mentor or Kahukura is to establish a trusted relationship.

Setting goals

In strengths-based practice, goals are worked collaboratively between clients and financial mentors/Kahukura building on the strengths, opportunities and talents of the client, and empowering them to take the lead.¹⁸ Most providers already work methodically with clients, families and whānau to establish short term (weeks/months) financial capability goals or longer term Kahukura client goals (months).

Tools that providers currently use to develop goals include:

- ▼ The MSD Financial Plan of Action
- ▼ PATH (planning alternative tomorrows with hope)
- ▼ The GROW strength based approach: Goals; Realistic; Opportunities; Way Forward
- ▼ Pathway Plan to Financial Freedom: Now, Barriers, Staying on Track, People support, Actions, Steps to Goals/Dreams.

The Client-led Outcomes Tool supports these approaches and is not a replacement.

Regardless of goal-creation methodology, as a guide, goals should focus on behaviour that the client wants to change, and then adopt most or all of the key aspects of the *SMART goal setting*:

- ▼ **Specific:** e.g. I want to reduce my debts
- ▼ **Measurable:** e.g. I want to pay off \$20 a fortnight
- ▼ **Achievable:** e.g. Looking at my budget if I cut back on some spending this is achievable
- ▼ **Relevant:** e.g. it's important because it's making me feel stressed and I can't pay for food
- ▼ **Time-bound:** e.g. After 8 weeks debt will be reduced by \$...

¹⁸ From the MSD Financial Plan of Action <https://www.msd.govt.nz/documents/what-we-can-do/providers/building-financial-capability/service-design/fpoa-guide-for-financial-mentors-june-2017.pdf>

Once a goal is agreed it is written down in the words of the the client on the *Client-led Outcomes* page.

Step 2: Provider use only – targeting financial capability

Providers use their professional judgement to broadly categorise the goal into the area of financial capability that this goal is targeting and mark this on the *Client-led Outcomes* page. This supports reporting options for providers and MSD.

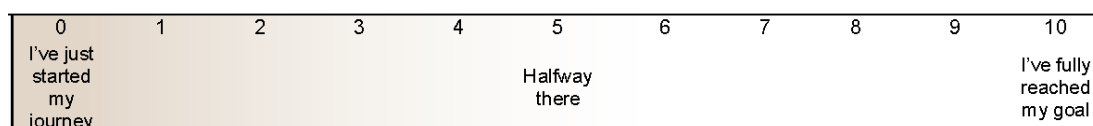
The categories of financial capability are based on feedback from providers during our survey and engagement process, and embedded in financial wellbeing research. The categories are:

- ▼ Immediate one-session need
- ▼ Budgeting to help keep track and stabilise
- ▼ Strategies to increase income
- ▼ Strategies to decrease spending
- ▼ Starting a savings plan
- ▼ Understanding and reducing debt
- ▼ Learning new money skills/updating knowledge
- ▼ Other

Step 3: Client start point

Once the goal is written, clients rate how they feel in terms of initial progress towards their goal/s. This rating is the *first* rating and base number from which to measure progress towards outcomes (goals). It is expected that the initial rating will be low.

This rating is recorded against their start goal on the *Client-led Outcomes* page:



Note: the scale used to rate progress is purposely a 0-10 scale and has been shown to be recognisable scale to most people. This scale has been validated during testing with the goal-based tool and forms the basis of reporting. It cannot be changed. However, we have provided colour gradients on the paper-based document if providers prefer to remove numbers. So for example the darkest colour on the scale is the same as a zero (only just created a goal); the lightest colour on the right hand side is the same as a 10 (I've fully achieved my goal).

Step 4: Client check in - rating progress in subsequent sessions

There must be a minimum of two points on the scale. Ideally, this is the start rating (baseline), and a near-final or final rating (end). However, client-led outcomes are designed to be used in every session or at regular intervals as established by financial mentor and client. It serves as a visual guide as well as a way to monitor the ups and down of progress. As such there is room for up to 10 sessions. This is an optional but recommended part of service delivery.

Client-led outcomes hope to support progress toward goals. Progress is any positive movement (regardless of number), and this is considered a positive outcome. A client does not have to score 10/10 to show "success".

Research shows that the visual journey supports client engagement and becomes a way to reflect on and discuss barriers and roadblocks, as well as celebrate successes towards achieving their goal. The timing of identifying progress can be agreed between client and provider.

Step 5: Clients finalise goals and close engagement (or create new goals)

A client may feel satisfied with their work towards goals and not require further support from a financial mentor or Kahukura. They may not necessarily have marked 10/10 but this is fine. As noted, success is defined by the client and a positive outcome is reflected in positive movement toward achieving goals.

If a provider and client decide to close a goal this will be recorded as finalised and the difference between the first and last score will be recorded for this client. This will be the client progress measure.

If the client has more than one goal and closes all goals, then the average difference will be calculated across the total number of goals for this client. This will be the client progress measure (average).

Step 6: Provider use only – session engagement

Providers categorise the number of sessions that the client has engaged.

Being able to report outcomes against session engagement is important. Four options are available for providers to mark:

- ▼ 1 session only - clients who enter service with specific needs. For example, a budget for housing arrears or a food parcel.
- ▼ 2-3 sessions – clients enter a service for a specific need but may continue for a short period.
- ▼ 4 plus sessions – clients who are engaging longer term to build financial capability. For example, working on debt reduction, or minimising expenses.
- ▼ Kahukura
- ▼ DNC (did not complete) – clients who may not come back or unexpectedly drop out without noting final progress marker.

This enables analysis of data to be sliced by mode of engagement which is useful to understanding how clients progress against engagement.

Part B: How to use the Wellbeing-Hauora Reflection

Why this approach to wellbeing-hauora?

The wellbeing-hauora reflection is a way to celebrate success, and allows clients to reflect any positive changes they have experienced as a result of engaging with BFC services. It is also an efficient way to assess perceived immediate-short term changes to clients who have engaged with financial mentors/Kahukura.

BFC's wellbeing-hauora reflection is a short, simple way to gather perceptions of client change to their wellbeing as a result of engaging with financial mentors and Kahukura. It uses a straightforward post-pre survey design¹⁹ that assesses client perceptions of changes they have experienced.

The advantage with this approach:

- ▼ One survey distribution at the end of intervention.
- ▼ Applicable to brief or longer interventions.
- ▼ Clients have built a shared understanding of some concepts and can reflect back on progress.

¹⁹ Post-pre is the name of this approach developed by – as opposed to pre-post. These surveys capture perceptions of changes, and are useful for reflection and insights, but care has to be taken with these surveys to broad claims of success or effectiveness. Self-reporting is vulnerable to bias.

This approach is also a more sensitive approach when clients are presenting in distress. This outcomes tool is administered only once at the end to near-end client engagement with a financial mentor.

Step 1: Introducing wellbeing-hauora reflection

As clients progress towards achieving goals, it's helpful to purposefully reflect on changes to their emotional wellbeing. Most providers note changes to clients' stress, sense of hope for the future, empowerment, mana, confidence, and connection as they shift their financial capabilities.

The approach is for clients to think about how they were feeling *before* they engaged with the financial mentor and Kahukura, and then think about the *now*, or *after*, and to subjectively rate the change. Once again change is defined from the client's perspective.

Providers may like to introduce the survey as clients start seeing solid progress towards their goals. The survey can be introduced as part of service delivery so clients have an opportunity to reflect on their success. For example:

"I can see you're making progress. It might be a good time to think about how these changes are making you feel, and how you felt before you came to see us. Let me show you one way we can do that."

Step 2: Wording on the wellbeing-hauora reflection

There are four categories of questions on the reflection tool. The concepts underpinning these questions are:

- ▼ Hope for the future
- ▼ Mana-enhancing/empowered
- ▼ Support and connection/relationships
- ▼ Confidence

We have provided some options for wording, depending on the client. Providers can translate these questions to meet the needs of their community. Care must be taken to ensure the underlying concept remains the same.

Step 3: How to complete

The tool is very simple to administer and complete. Unlike other surveys that rely on a pre-post survey administered across multiple sessions, the wellbeing-hauora reflection is administered in *one session* (preferably the near-final or final session) but assesses *two points* at the same time. That is, clients are asked:

- ▼ how they felt BEFORE engaging with financial mentor/Kahukura, then
- ▼ how they felt AFTER engaging with the financial mentor/Kahukura.

The difference between the scores reflects the perceived impact of the service intervention.²⁰

Step 4: Net Promoter Score: Client Satisfaction with services

The Net Promoter Score (NPS) is the least intrusive yet highly informative and globally used way of measuring client engagement and feedback with a service, and being able to target quality improvements based on this feedback. It operates on a 0-10 scale and clients circle a number between 0-10 (or smiley faces).

²⁰ See Hiebert and Magnussen (2014) for further information

These categorise clients into the following groups:

- ▼ Percentage of clients who are "promoters" (that is, who mark 9-10 on the scale)
- ▼ Percentage of clients who are "passive" (that is, who mark 7-8 on the scale)
- ▼ Percentage of clients who are "detractors" (that is, who mark 0-6 on the scale)

Qualitative data gives further information on why clients chose that particular number and is very important to understand the "why" behind the numbers.

The NPS is all that is required for a broad client satisfaction marker. Even though it asks about recommendations it is a reliable proxy for client satisfaction and re-engagement. For example, clients who are promoters are highly satisfied with the services and it meeting their needs, and as such they would recommend it to friends and whānau. They would also re-engage if required at a later date. Providers can ask more specific client feedback questions if required as part of their own feedback loop. For example, if they want to know more about a particular feature of service e.g. access. This is an internal consideration.

Reporting into Client Voices

Client-led outcomes is a visual tool that will be integrated into Client Voices for both engagement and reporting purposes.²¹ This is currently a work in progress.

Being able to visualise progress is a critical part of the success of the tool in terms of engagement, motivation and purpose. This visualisation can be paper-based or within Client Voices (or both).

If more than one goal is being tracked then Client Voices will allow the creation of a second goal page attached to the client file. There is a maximum of three goal pages that can remain open at any one time for a client. In addition:

- ▼ providers will be able to complete the tool session in Client Voices and record the date of session
- ▼ providers will be able to indicate type of session (1 session, 2-3, 4 plus, DNC, Kahukura)
- ▼ providers will be able to indicate key financial capability categories
- ▼ providers will be able to close a goal
- ▼ the page in Client Voices will be printable as an outcomes page.

Part A: Analysis and reporting of client-led outcomes

Once a client-led goal is closed, Client Voices will calculate a client progress measure

The client-defined outcomes tool will measure the difference between entry and exit score of a client. The results show progress (or not) towards a goal.

End of month reporting across all client progress measures

Across goals, Client Voices will calculate the difference between start and final score and average these across all clients.²² This will result in an organisational-level number for MSD. This has the potential to be broken down via the following categories:

- ▼ by closed and open goals
- ▼ by engagement categories (1, 2-3, 4 plus, Kahukura, DNC)

²¹ Like many self-reported tools, response bias can impact client feedback in client-led outcomes – directions on how to administer client-led outcomes will help minimise response biases and are given in the operational guidelines.

²² Aggregating the three goals was appropriate for the goal-based tool, and the same approach will be used in the Client-led Outcomes (Law 2011).

- ▼ by financial capability target categories

A movement greater than 2.45 is associated with reliable change.²³ That is, a provider can be confident the client is actually progressing towards their goal.

Part B: Analysis and reporting of wellbeing-hauora reflection

Once the wellbeing-hauora reflection is complete, Client Voices will calculate scores for reporting

The wellbeing reflection tool measures the difference between pre and post scores. The results will show perceptions in positive emotional shifts made by clients who engage with a financial mentor or Kahukura.

End of month reporting across all completed wellbeing-hauora reflections

Across all completed wellbeing reflections, Client Voices will calculate the different between the pre and post scale, and average these across clients. This will result in an organisational-level reflection for MSD. As per client progress measure, these can be cross-analysed with goals, engagement categories and financial capability targets if required.

Reporting will be quantitative and report an average shift.

End of month reporting client satisfaction net promoter score

Client voices will average the net promoter scores into three groups:

- ▼ Percentage of clients who are "promoters" (that is, who mark 9-10 on the scale)
- ▼ Percentage of clients who are "passive" (that is, who mark 7-8 on the scale)
- ▼ Percentage of clients who are "detractors" (that is, who mark 0-6 on the scale)

Qualitative data will be collated against categories.

This way of categorising is based on global benchmarks and so we can be confident of categories. These can be used by providers for understanding and targeting quality improvement.

²³ *The goal-based approach is ideographic (that is based on an individual's unique goals), ipsative (ratings are compared to the person, not an external rating system), and can be used at any age. Testing has shown a suggested reliable change index of 2.45 (Lloyd et al 2019, Hibbart and Gilbert 2014).*

Questions and answers

These seem like simple outcomes – are they effective?

Client-led outcomes are purposefully simple and useful across a number of interventions.

Research using client-led outcomes shows that shifts in progress have a relationship to improved scores on other psychological and wellbeing tools. Feedback from providers noted the importance of building relationships with clients prior to financial mentoring discussions, journeying with them and their whānau towards goals, and being flexible to respond to the needs of clients. This included having a tool that was flexible to reflect the diverse cultural needs of their clients, and able to be sensitively implemented into practice. As such client-led outcomes are shaped around principles of whakawhanauntanga, manaakitanga, and mana-enhancing, strength-based approach.²⁴

For example, from research against the goal-based outcomes tool (UK):

- ✔ positive shifts have been shown to have a relationship to symptom change measures using other tools such as the Strengths and Difficulties Questionnaire (see Wolpert et al 2012)
- ✔ research from clients using the system in other health and educational settings shows positive engagement, and higher motivation to achieve outcomes when they are visualised (see Lloyd et al 2015)
- ✔ a movement of 2.45 points shows a reliable change index for progress toward goals. This means change over 2.45 is unlikely to be measurement error. This may help financial mentors interpret results better and adapt service delivery.

In addition, the wellbeing-hauora reflection tool uses a simple intervention that relies on client perceptions of their own change. This is useful across variable service deliveries and requires less resource or data analysis to administer and make use of results.

What if the client is not making progress?

There are many reasons why progress towards achieving a goal is interrupted. This can include broader pressures that can be outside the control of a client. These can be captured in the case notes if required.

However, if there is little progress being made it might also be good to revisit initial goals. They may need refining, or they may be too ambitious. Being able to create achievable, timely goals is more valuable than longer term ambitions. There may be a need to revisit and reset initial goals.

What if goals change?

A client may want to focus on new goals without first making progress toward their initial goals. It's important as financial mentors and Kahukura to use your judgement in regard to resetting goals, and adjust these accordingly.

If new goals are created, then a new outcomes process will commence, and the older goal can either stay open or close.

²⁴ Although the approach adopted with client-led outcomes reflects what we heard through our engagement with Māori providers, research on similar tools within indigenous communities is continuing. For example, the initiation of a project assessing the cultural appropriateness of a patient-reported outcome measure for Aboriginal people with diabetes in Australia commencing in 2021 (Burgess et al). It will be important for MSD to keep abreast of the research and implement a strong feedback loop with providers to communicate changes/updates if required as research progresses.

What if the client only wants one session?

Client-led outcomes are used across a number of sessions. However, many BFC providers have one-off sessions with clients who are wanting a specific need met e.g. a budget for a food parcel. Although providers encourage longer participation to target financial capability, this is not always feasible.

Specialists in client-led outcomes tools have noted the increased use of these tools for one-off services where a client is asking for a specific piece of knowledge or support. Often goals in this situation are shaped around the question, "what do you hope to go away with at the end of this session to make it valuable or helpful to you?". An example for BFC would be a budget for housing arrears, or a food parcel.

This involves using the client-led outcomes tool at the beginning and end of the session, and marking on the session notes, 1-2 sessions only. The ratings on these sessions will be calculated as one-session interventions, and progress is interpreted more in line with needs being met, rather than goals reached.

If the client changes their mind and decides to continue with their financial mentor to build their financial capability, then a new goal can be created and standard steps followed.

What if the client is a no show/did not complete?

Providers are encouraged to use client-led outcomes at every session in case of unexpected no shows or did not complete. A total of ten sessions is available on the paper-based option.

Outcomes data can be placed on hold at this point until either the client reengages with the service, or the provider decides the client file is closed.

If only one point in the outcomes tool is marked, then clients will be closed as a no-show/did not complete and their progress scores will remain unrecorded if there is no second point.

Why are the scales different (0-10, 1-5)?

Client-led Outcomes uses a 0-10 scale (11 point scale) with text describing the beginning, midpoint and end definitions of the numbers. These scales have been shown to make sense to most people, and have increased completion rates. The scale is based on that used by the Goal-Based Outcomes measure, explained previously, a widely used ideographic measure in child mental health and other services. By using similar methodology we can attribute some of the research underpinning the GBO to the Client-led Outcomes (for example, reliability of change index).

The advantages of using an 11 point scale are widely recognised as having greater statistical reliability and validity²⁵, being more sensitive to measuring differences, requiring a smaller sample size to have the same degree of precision to that of smaller scales, and importantly, the addition of zero value. By starting the scale at 0 as opposed to 1 this makes it clear to participants that no progress towards a goal can not only be accurately recorded, but is also acceptable to do so. Participants should not feel coerced to record progress towards a goal if no progress has been made. This leads to more honest inputs and therefore more accurate results

The net promoter score also uses a 0-10 scale (11 point scale) and has been benchmarked on this scale across industries standards for the past forty years.²⁶

The Wellbeing-Hauora reflection uses a 1-5 point scale with descriptors. This is based on pre-post scales²⁷ that indicates immediate change at the completion of service using a reflection survey. The smaller scale is typically divided into two groups: 1-2 (low/unacceptable); 3-5 (high/acceptable). The aim of the reflection tool is to assess perceived change at a less nuanced level, as well as indicate movement.

²⁵ The extent to which the measurement of progress towards goals over time will remain more consistent across repeated tests in comparison to using a scale with fewer points due to the wider range of points that participants can choose from.

²⁶ Net Promoter, Net Promoter Score, Net Promoter System, NPS and the NPS-related emoticons are registered trademarks of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc.

²⁷ See Hiebert and Magnusson (2014), and Redekopp and Huston (2020) for further information.

Appendix 1: Outcome tools

Client-led outcomes

Client name:

Date:

My Goal is:

Provider use only

Key financial capability target (✓ tick one):

- Immediate one-session need
- Budgeting to help keep track and stabilise
- Strategies to increase income
- Strategies to decrease spending
- Starting a savings plan
- Understanding and reducing debt
- Learning new money skills / updating knowledge
- Other

Client engagement (✓ tick one): 1 session 2-3 sessions 4+ sessions
 Kahukura Did not complete

How do you feel about your progress towards reaching your goal today?

Session	Date	0	1	2	3	4	5	6	7	8	9	10
		I've just started my journey					Halfway there					I've fully reached my goal
Start session												
2												
3												
4												
5												
6												
7												
8												
9												
Final session												

Please tick (✓) how you feel about your progress towards reaching your goal today

Note: The scale is from dark to light (0 to 10). The darkest shade means you have only just begun your journey, a medium shade means you're making progress, and the lightest shade means you feel you've achieved your goal.

Wellbeing - Hauora reflection

1) Thinking about your time with us ...

These four questions ask you how you felt BEFORE working with your Financial Mentor or Kahukura, and then how you felt AFTER working with your Financial Mentor or Kahukura.

For each question, please tick (✓) how you felt before and how you felt after. There is no right or wrong answer.

How do I feel	BEFORE					AFTER				
	seeing the Financial Mentor or Kahukura					seeing the Financial Mentor or Kahukura				
	1	2	3	4	5	1	2	3	4	5
	not at all	a little	moderately	very	absolutely	not at all	a little	moderately	very	absolutely
I feel hopeful for the future										
I feel supported and empowered to make good decisions with money										
I feel positive about how money impacts my relationships										
I am confident I can achieve my money goals										

2) Would you recommend us to friends or whānau if they need support?

0 1 2 3 4 5 6 7 8 9 10



Not likely to recommend

Very likely to recommend

We'd love to hear why you gave this feedback:

Appendix 2: Programme Logic Model

Rationale underpinning the Programme Logic Model

A programme logic model was developed from our findings to support our outcomes approach. There are several key considerations when contemplating the purpose and nature of a BFC programme logic model, and the iterative development of final outcomes. These include:

1. MSD's reporting obligations as the primary agency delivering financial capability services to New Zealanders

The Ministry of Social Development (MSD) has a lead role in the development of BFC services, aligning and integrating them across agencies and the broader financial sector, and reporting the wellbeing impact these services have for clients. This includes collecting and analysing quality, timely and relevant data above and beyond output measures.

Reporting wellbeing measures requires a clear understanding of the wellbeing approach to be adopted, cross-agency collaboration, and clarity of measures.

Additionally, CFFC's recently refreshed national strategy for building financial wellbeing will contribute to shaping purposeful outcome goals, including those focused on wellbeing, and will help support a national, cross-sector approach.

2. The shift in focus toward achieving financial wellbeing

Over recent years there has been a concerted effort to define, test and validate the behaviours, psychological traits, skills and external factors that lead to improved financial wellbeing. Whilst this concept is broader than financial capability, there is a proven correlation that links increased financial capability to improved financial wellbeing.

3. Strength-based services that value the individual and their goals

BFC services take a strength-based approach to service delivery. This approach values the capacity, skills, knowledge, connection and potential that people bring with them into supporting their subjective wellbeing or recovery; and seeks to develop goals and outcomes in line with what is meaningful for clients. Working to build an individual's awareness and understanding of their own strengths and capabilities has been shown to promote an increased sense of subjective wellbeing (Park and Peterson, 2006).

There is a strong emphasis in strength-based service delivery on increasing hope and building resilience through improved social connections.²⁸

Services should strive to deliver quality, evidence-based, and independent financial capability mentoring when New Zealanders need it, and how they need it in order to feel confident and informed in their financial decisions. This is particularly important for those in crisis, however, should apply across lifecourse, demographics, and personal situations.

Therefore, it is important when finalising the programme logic model and subsequently, outcomes, to consider a flexible, adaptable yet consistent approach to measurement that incorporates the principles of strength-based practice.

²⁸ <https://www.iriss.org.uk/resources/insights/strengths-based-approaches-working-individuals>

4. Service variations making a one-size-fits-all programme logic model and outcomes tool difficult

The BFC suite of services consists of a relatively disparate service design and client engagement approach making a single programme logic approach difficult, particularly when considering client outcomes. For example, the Kahukura, Financial Mentors, and Money Mates have more consistent face-to-face engagement with clients that often extends beyond a single session. Money Talks, on the other hand, is currently an information and referral service that typically only engages once with a client (but has the opportunity to send a follow-up email). And within Debt Solutions services there is a range of different services - from offering loans only with no client contact to a partial money management style service where clients have a close relationship with the provider for 2 or more years.

BFC services take a strength-based approach to service delivery. This approach values the capacity, skills, knowledge, connection and potential that people bring with them into supporting their subjective wellbeing or recovery; and seeks to develop goals and outcomes in line with what is meaningful for clients. Working to build an individual's awareness and understanding of their own strengths and capabilities has been shown to promote an increased sense of subjective wellbeing (Park and Peterson, 2006).

OPPORTUNITIES/PROBLEMS (to be addressed)	INPUTS (what we invest/resource)	ACTIVITIES (what we do to make change)	OUTPUTS (quantitative measures – typically number/percentage measures)	Short-Medium term OUTCOMES/BENEFITS across working age population (what's changed for clients in using the service) *	Long term OUTCOMES (5 years+ aligns to Treasury Living Standards Framework)
<p>→</p> <p>P1. Financial wellbeing (FW) is a priority for all New Zealanders. Positive FW is defined as being able to meet day-to-day commitments without struggle, being financially comfortable, and having resilience for the future. It has a major influence on individual, whānau and community wellbeing.</p> <p>P2. FW relies on strong financial capability including particular behaviours, mindsets/attitudes and skills/knowledge. A key driver of positive FW is financial capability. With the right support, engagement and skills, individual financial capability can be improved.</p> <p>P3. FW does not operate in a vacuum but a wider socio-economic environment making cross-sector partnerships and supporting a national strategy critical. Powerful socio-economic influences individual FW including employment status, income levels, home ownership, access to inclusive products, lending practices, family and whānau support, and physical/mental health.</p> <p>P4. Quality, strength-based services build financial</p>	<p>→</p> <p>I1. Service delivery Invest in an integrated suite of Building Financial Capability (BFC) services across New Zealand, including:</p> <ul style="list-style-type: none"> • Money Talks • Financial Mentors • Money Mates • Kahukura • Debt Solutions & • Community Finance <p>I2. Training and development Resource the delivery of professional, consistent, evidence-based, and culturally competent training for all financial mentors with clear professional development trajectory in building financial capability mentoring skills (via FinCap).</p> <p>I3. Marketing and communications Resource internal and external communications campaign to integrate financial capability services across MSD services (including Work & Income, Family Violence, Connected Sites); and broader cross-sector initiatives.</p> <p>I4. Stakeholder management Invest in strong relationship management with key stakeholders including CFFC, key agencies (MBIE, MPI, Corrections), professional bodies, FinCap, other</p>	<p>→</p> <p>Service delivery</p> <p>A1. Deliver integrated strengths-based, culturally inclusive face-to-face and phone services that are accessible to all New Zealanders, particularly those in financial hardship or distress.</p> <p>Training and development</p> <p>A2. Build a professional BFC workforce that is qualified at a minimum level, provided with a career pathway, and delivers culturally competent, strength-based services.</p> <p>Marketing and communication</p> <p>A3. Deliver a strong consistent brand that resonates with New Zealanders and particularly, the BFC target market.</p> <p>Stakeholder Management</p> <p>A4. Build open, trusted and constructive connections with cross-sector/cross-agency partners to improve quality of service delivery, and continuum of care.</p> <p>A5. Participate in initiatives/discussions that directly impacts financial capability and inclusion for</p>	<p>→</p> <p>Client/whānau number and reach:</p> <p>O1. # clients directly reached through suite of services</p> <p>O2. # tamariki indirectly reached through suite of services</p> <p>Client/whānau frequency and type of engagement:</p> <p>O3. # of clients who engage for 1-2 sessions only, who establish goals and/or get their needs met.</p> <p>O4. # of clients who engage for 2+ sessions and establish goals, and progress toward reaching goals.</p> <p>O5. # of clients who engage with Kahukura</p> <p>O6 # of clients who engage via Money Mates</p> <p>O7. Level, type and reduction of debt – as measured at entry into BFC services, and exit from BFC.</p> <p>Client/whānau equity measures:</p> <p>O8. # and diversity of client ethnicity compared with regional need</p> <p>O9. # clients by gender, age, family status compared to regional need</p>	<p>→</p> <p>Financial capability behaviours</p> <p>Client progress toward achieving their financial capability goals. This supports improved financial capability and resilience.</p> <p>The main FC goals could be categorised under the following:</p> <p>Clients become aware of, gain skills to plan for, and commence/maintain <u>a viable budget</u>.</p> <p>Clients and whānau become aware of, gain skills to plan for, and commence/maintain <u>reducing their unmanageable debt</u>.</p> <p>Clients and whānau become aware of, gain skills to plan for, and commence/maintain <u>active savings</u>.</p> <p>Clients and whānau become aware of, gain skills to plan for, and commence/maintain <u>not borrowing for everyday expenses</u>.</p> <p>Financial capability mindset/attitudes</p> <p>Clients improve confidence in their ability to make trusted decisions about finances (confidence, self-efficacy)</p> <p>Clients feel empowered to make decisions and plan for the future (locus of control).</p>	<p>Sustained Financial Wellbeing BFC is a key partner in delivering an integrated and effective service that delivers to the strategic objectives of the national financial capability strategy, and develops and sustains the financial wellbeing of all New Zealanders.</p> <p>Sustained broader wellbeing New Zealanders experience improved broader dimensions of wellbeing including taha tinana, taha hinengaro, taha whānau, and taha wairua.</p> <p>Individuals and whānau have decreased levels of social isolation.</p> <p>Developing New Zealand's knowledge base BFC actively contributes to knowledge about New Zealander's financial capability with sound measurement and knowledge sharing that aligns to the national strategy.</p>

OPPORTUNITIES/PROBLEMS (to be addressed)	INPUTS (what we invest/resource)	ACTIVITIES (what we do to make change)	OUTPUTS (quantitative measures – typically number/percentage measures)	Short-Medium term OUTCOMES/BENEFITS across working age population (what's changed for clients in using the service) *	Long term OUTCOMES (5 years+ aligns to Treasury Living Standards Framework)
<p>—————→</p> <p>capability. A strength-based, client-centred approach empowers clients to utilise their existing strengths and determine their own goals and outcomes that are of value to them, with the support and guidance of skilled mentors. This supports longer term financial resilience.</p>	<p>—————→</p> <p>employment and industry representation, and the broader financial sector (e.g., banks, power companies).</p> <p>I5. Monitoring and reporting Resource evidence-based, quality data collection practices through training, support, and integration of Client Voices as the case management and data collection portal for all financial capability services (via FinCap). Invest in internal MSD data capabilities and processes to collate, analyze, and interpret data to support quality improvement and reporting.</p>	<p>—————→</p> <p>example SCAFI; building financial capability strategy.</p> <p>A6. Proactively build internal relationships and communication at both a national and regional level, to ensure alignment with other MSD services, and awareness across organisation.</p> <p>Monitoring and reporting</p> <p>A7. Establish a robust framework and process for measuring how BFC is doing, where it is making an impact, and where progress needs to be made. Data supports continuous improvement, planning, resource allocation and accountability.</p> <p>Equity and access</p> <p>A8. Develop relationships with Māori providers and clients, Pacific providers, and clients, and under-served groups (for example, disabled clients, neurodiverse clients) to test and refine service delivery on a regular basis, and support principles of inclusion and diversity, and counter bias.</p> <p>Procurement and contracting</p> <p>A9. Ensure procurement and contract management is fair and transparent, collaborative and encourages innovative thinking.</p>	<p>—————→</p> <p>O10. # clients with diverse backgrounds and abilities (e.g. disabled clients, neurodiverse clients)</p> <p>Clients/whānau satisfaction focus:</p> <p>O11. Net promoter score - willingness to recommend service to others indicating appropriateness of service</p> <p>Q12. Customer Effort Score ease of engagement with BFC services, timeliness.</p> <p>Provider focus:</p> <p>O13. # and type staff qualifications and professional development</p> <p>O14. # and type of Health and Safety incidents</p> <p>O15. # and type of client referral and engagement into the services / and to other services</p> <p>Evaluation focus:</p> <p>Q16. Annual formal evaluation of Kahukura and Debt Solutions service answering key evaluation questions as established by MSD with baseline established 2021.</p>	<p>—————→</p> <p>Financial capability skills/knowledge</p> <p>Clients and whānau build financial literacy skills and know where and when to access information to build knowledge base.</p>	

*Not all outcomes will be applicable to every client and all require multiple sessions and support if change is to be seen. Outcomes will vary across service delivery type

Appendix 3: Debt Solutions

Summary of provider meetings

The Debt Solutions pilot was implemented as part of a broader Government funding injection to manage and mitigate the ongoing effects of Covid-19 on New Zealanders in vulnerable financial positions.

In January 2021 we met with all four providers of Debt Solution services to discuss:

- the services they provide
- alignment with MSD's stated service requirements for the pilot
- the providers' experience of outcomes measurement, and
- the challenges faced in developing robust measurement frameworks.

We found that all four of the Debt Solutions pilot providers deliver very different services. The two with most similarities are Nga Tāngata Microfinance and Good Shepherd (GS) whose core offerings are the provision of no- and low-interest loans. Ngā Tāngata Microfinance (NT) focus solely on the provision and administration of these loans and, therefore, rely heavily on the existing network of Financial Mentors to provide debt support, advocacy, and counselling to their clients.

Christians Against Poverty (CAP) and Debtfix (DF) each provide specialist services targeted at specific client cohorts. Neither of these providers offer microloans and would, therefore, need to refer clients on to Ngā Tāngata or Good Shepherd if a need for a microloan was identified.

CAP's services include hands on management of clients' finances and work on the basis that, when in crisis, clients don't have sufficient bandwidth to focus on increasing their financial capability and just need someone to 'take over the reins' for a period of time. CAP's local support workers can connect clients with support groups throughout the church community but doesn't have the same level of connections with other external social welfare and health services that clients may need to access.

DF has a more commercial model and offers a remote debt management service. DF is currently a private sector organisation and they "set the bar high so the competitors can't reach them". They are currently going through the process of incorporating the Debt Relief Foundation as a charity although it's not clear whether services currently provided by DF will transfer to the Debt Relief Foundation once set up. DF have recently launched the 'Ship Shape' pilot service which was developed by DF, FinCap, banks and key creditors. DF retain 20c in the \$1 of loan repayments before passing the remainder to creditors.

Sector capability

A common view heard from all providers is that there is currently insufficient and inconsistent capability within the Financial Mentor cohort. Because debt counselling and advice is quite a specific skill set, it will often come down to luck as to whether a client finds a Financial Mentor who has the capability and skill required to work with them to resolve their problem debt.

Some providers, most notably NT and GS are working to upskill the sector so that Financial Mentors are better able to provide debt coaching, counselling, and advocacy. GS currently have an in-house team of loan workers who interact directly with clients but they have stated that their goal is to support capability development within the sector so that they can move to a similar model to NT - relying on Financial Mentors to work with the clients through their debt journey and the loan application process.

Whilst this broad workforce development role falls outside of the general remit of Debt Solutions providers, they feel that there isn't currently the leadership in this space to drive progress in capability building. They see the impact of the lack of consistent sector capability on clients' ability to free themselves from problem debt.

Outcomes measurement – current situation

All four providers stated that outcomes measurement was a challenge. CAP and DF have made an attempt at outcomes measurement using client surveys whilst NT engaged Impact Lab to calculate a Return on Investment measure for them i.e. the \$ benefit to New Zealand as a result of \$1 invested in their service.

GS maintain a large amount of quantitative data including demographics, engagement, current debt levels, debt write off, approved loans, etc. They also hold client stories. However, they don't currently collect impact data and recognise that this is a gap as they're keen to understand the outcomes of their services.

Challenges in developing outcomes measures for Debt Solutions

The biggest challenge in developing a single outcomes measurement framework for the Debt Solutions pilot, as already mentioned, is that the four providers are delivering very different services. It is, therefore, not possible to create a single set of measures to cover all four providers' services because of the differing levels of client interaction and length of engagement. For example:

- Ngā Tāngata do not have any interaction with clients beyond loan repayments.
- Good Shepherd only have short term or transactional engagement with clients.
- CAP have long term engagement with clients (2+ years).
- Debtfix have a medium to long term engagement with clients.

Measuring the value of the Debt Solutions pilot

Based on MSD's Outcomes Agreement and Service Guidelines for the Debt Solutions pilot, it would appear that all four providers have adopted a different interpretation and have differing expectations regarding service delivery. None of the providers could identify anything that they were doing differently based on the funding for the pilot received from MSD. Furthermore, most providers told us that they hadn't yet experienced any significant increase in referrals relating to the impacts of Covid-19 and weren't expecting a major influx over the next 12 months.

Given that Debt Solutions has been launched as a pilot service it is important that MSD has a clear understanding of the goals, direction and evaluation criteria that will need to be implemented. This progress monitoring is important to support MSD make an informed and robust decision regarding the continued efficacy and need for these services on completion of the pilot. This should be considered in the broader context of MSD's overarching strategy and action plan for the wider BFC services.

Recommendations for Debt Solutions

Given the differences in service delivery, integrating COMT measures for Debt Solutions services is not feasible or recommended at this stage.

It is recommended that MSD:

- prioritises the development of a pilot evaluation programme to review both the pilot implementation process and the outcomes of the pilot; and,

- starts delivering clear and regular messaging to providers to reiterate the message that Debt Solutions is a pilot and that there is no guarantee of continued funding post completion of the pilot.

It is also recommended that MSD requests reporting from Debt Solutions providers to identify:

- current and projected client volumes; and,
- specific narrative reporting clearly explaining how the provider is using the MSD funding to improve client service delivery and achieve improved outcomes for clients.

This pilot programme needs to be effectively and efficiently managed by MSD to ensure that expected service levels, outputs and outcomes are achieved; and also to manage sector expectations regarding the continuation of funding to these providers for debt services. There is currently a risk that without a robust pilot evaluation, there will be an expectation from the sector that funding will continue and this will impact MSD's ability to align debt support, advocacy, and counselling with the strategic direction of the wider BFC services.

Appendix 4: Findings from engagement

Summary of findings from interviews

The following gives an overview of findings from interviews and surveys in regard to client journey, administering original COMT (and what to avoid), and way forward.

Reasons for engaging

Clients engaged with BFC services for variable reasons. Changing financial capability requires longer term engagement depending on the goals of the client.

Currently, many clients engage in a one-off service for a particular problem. For example, to receive a budget for Housing, or get access to the food bank. Some clients are persuaded to continue. Other clients were engaging longer term to change their financial situation. Kahukura typically saw clients for the long term, and it took many sessions together to establish initial trust and engagement that would sustain longer term holistic change.

As a generalization, Table 1 gives an overview of the different types of engagement from clients with financial mentors and Kahukura (excluding Money Mates which can be applicable across several types of engagement).

Many clients arrive in distress

Many clients to BFC services are in an immediate financial crisis or desperate situation – the first step is establishing a trusted relationship with financial mentors who are empathetic and listen. Some clients suffer mental health challenges, anxieties, or are highly sensitive or shamed by their inability to cope. Their first act of bravery is entering the service and asking for help.

*“It's courageous enough for them to come in – this is a strength in itself”
(Financial Mentor)*

This relationship building is the "invisible" yet critical work underpinning good client outcomes (in the broader sense of the word) and can take place over 1-2 session or much longer for Kahukura. It was clear BFC providers through this relationship needed to be established prior to discussion of goals and outcomes. Ultimately, it remains up to the client if they will engage and what this looks like.

*“They need someone to stabilize them, take responsibility, so they can think”
(Financial Mentor)*

“Merely talking about one's finances is stressful enough, until a bond and trust is built between mentors and clients” (Financial Mentor)

Although all clients come with an immediate need a skilled financial mentor can often use this experience to encourage further engagement that focuses on building financial capability. As one financial mentor noted their aim was to encourage clients to consider the "What if" and move beyond immediate need to the next steps.

At their initial meeting, when often in distress, clients are asked to complete a series of questions: "About your situation"

Providers typically ask clients to fill out the COMT at the beginning of their first session (or close enough). They try to do this in the most sensitive manner. The questions are typically printed (as the document requires a signature) and questions often have to be explained to the client. For example, how are "obligations" and "basic needs" defined.

Many clients have low literacy and some clients have English as a second language. Typically, all clients respond with a low number at the initial session.

About your situation

1. I / we have enough to meet our basic needs and obligations
 1 (not enough) 2 3 4 5 6 7 8 9 10 (enough)

2. I / we feel in control of any debts
 1 (not in control) 2 3 4 5 6 7 8 9 10 (in control)

3. I / we can confidently manage our finances
 1 (not confidently) 2 3 4 5 6 7 8 9 10 (confidently)

4. I / we are on track to achieve our goals
 1 (not on track) 2 3 4 5 6 7 8 9 10 (on track)

5. Overall my / our situation is

*"It's intrusive – it takes extreme courage to come into the service and ask for help"
(Financial Mentor)*

*"Goals become a "slap in the face" actually as they can't even feed their family..."
(Financial Mentor)*

Providers were aware they needed "two ticks" to count – even though they were relatively meaningless to many

Providers were aware they needed a second completion of COMT in order to deliver reporting numbers to MSD. Some asked clients to complete COMT at the beginning and end of the same session; others over several sessions. It was variable and driven by reporting numbers, not the needs of the client or rigour of the data collection.

*"We celebrate every session – the form is currently tick a box and intrusive"
(Financial Mentor)*

Client experience/satisfaction measures

A series of questions is typically asked of clients at the end of a session and completed on paper in front of the provider, who sometimes must explain the question – particularly if English is a second language.

Most providers are relatively embarrassed to administer "about our services" questions but try to make it as comfortable as possible for everyone.

About our services

1. I / we felt listened to, understood and respected
 1 (no) 2 3 4 5 6 7 8 9 10 (yes)

2. The [service / group / session] met our needs and expectations
 1 (not met) 2 3 4 5 6 7 8 9 10 (met)

3. I / we are better able to deal with the issues we wanted help with
 1 (no) 2 3 4 5 6 7 8 9 10 (yes)

*“Everyone gets a top mark because they may be the only teacher they've ever had; so appreciative and grateful of any support. Would never think to criticise”
(Financial Mentor)*

“My concern is for those whose English is their second language, we have to read these questions to them, which can be embarrassing” (Financial Mentor)

“Definitely no measures are contributing at the moment to enhancing the client journey or providing valuable feedback” (Manager, Financial Mentor)

Impact of services on clients' wellbeing

The greatest change that many providers noted as clients progress towards their financial capability goals is a shift in attitude and/or subjective wellbeing (happiness/life satisfaction). The sustainability of this change remains unknown, however, many clients arrive in distress but exit the service with an overwhelming sense of relief. This is currently not captured in COMT.

Providers were keen to see this change captured in their outcome measures although remained unsure of how to achieve this. They used words such as "hope", "empowerment", "relief", "giving them dignity and mana back".

“The evaluation is in their eyes – the change on their face” (Financial Mentor)

“Compared to when I first met them, what it is like now – the burden is lifted. They have enough to live day to day” (Financial Mentor)

“This is one of the main outcomes. They take action but the real change comes from the relief and release they feel from the stress of debt” (Financial Mentor)

Client Voices as an outcomes management system

Client Voices is the key client management system use by BFC providers. However, for many providers there was a degree of frustration with the functionality and capability of Client Voices, particularly in comparison to the older version. This included:

- ❖ Being unable to navigate and use the system intuitively, and with ease.
- ❖ Limited functionality for searching and reporting using a variety of filters.
- ❖ Limited page view of the COMT so could not reflect back to clients their progress or incorporate COMT into service delivery in a meaningful way.
- ❖ Lack of confidence with data capture.

Table 1: Overview of service delivery

	Prevention work (across services, can include Money Mates)	Level 1 Outcomes (Financial mentor: 1, 2-3 sessions only)	Level 2 Outcomes (Financial mentor: 2-3, 4 plus or more sessions)	Level 3 Kahukura outcomes (Kahukura: medium-long term ongoing)	Level 4 Outcomes (longer term)
	<i>Intervening early to stop people falling into crisis</i>	<i>Meeting immediate needs/crisis and check in on safety.</i>	<i>Developing financial capability and raising the mana of clients</i>	<i>Creating purposeful long-term relationships with clients who have complex needs, and walking alongside them to take small steps that lead to big transformations.</i>	<i>Developing future financial resilience and intergenerational hope for tamariki</i>
Current Outcome Measures	Not yet measured	COMT about your situation	COMT about your situation	COMT about your situation	Not measured at an individual level
Broad definition of service	Prevents crisis through proactive, innovative early interventions.	Responds to clients' immediate needs while encouraging them to look beyond current crisis to future engagement.	Strengthens relationships and enables clients to stabilise their money stress, and develop culturally meaningful financial goals. FMs listen, build skills, capability and mindset, and raise the mana of clients and their family/whānau/aiga.	Relies on time to engage and build trusted relationship with long-term holistic outcomes in mind. The complexity of people's lives means that the journey through Kahukura isn't a clear start, process, finish and discharge.	A strength-based service will support clients to look to the future, and build hope, opportunity and resilience for the next generation. However, long term outcomes cannot be directly measured.
Example of Service delivery	Connecting with local Kainga Ora and Work and Income, and getting in with people BEFORE they fall off the cliff.	One-off or minimal engagement to fulfil an immediate need including requirements for support (food bank help and housing arrears).	Individualised goals to build key financial capability behaviours including recognising and reducing debt; creating a budget to understand and stabilise day-to-day.	Service focuses on building relationships with clients, often over months, and taking time to walk alongside whānau to develop solutions to complex challenges.	

Summary of findings from surveys

A key objective of the surveys was to try to unravel what good looks like for clients in terms of achieving their goals and outcomes, and what drives this success. We asked BFC providers who had supported many thousands of New Zealanders to improve their financial capability to contribute.

Well-experienced and diverse workforce

Financial mentor survey respondents were predominantly financial mentors with six or more years' experience. Managers also took the opportunity to engage with the survey. There was significant diversity of ethnicity across survey participants.

Kahukura were predominantly Māori and approached their work holistically

The Kahukura survey had 16 responses and was completed by both Kahukura (11) and their managers (5). The majority of survey respondents were Māori, with 1-5 years' experience as Kahukura representing six regions across Aotearoa.

Financial Mentor feedback:

In general, during the four weeks prior to survey completion, respondents had seen between 6 and 20+ clients. Respondents noted that, generally speaking, clients return after the first session but that they will follow up those who don't (subject to privacy and other constraints).

Table 1: BFC job position (n=91)

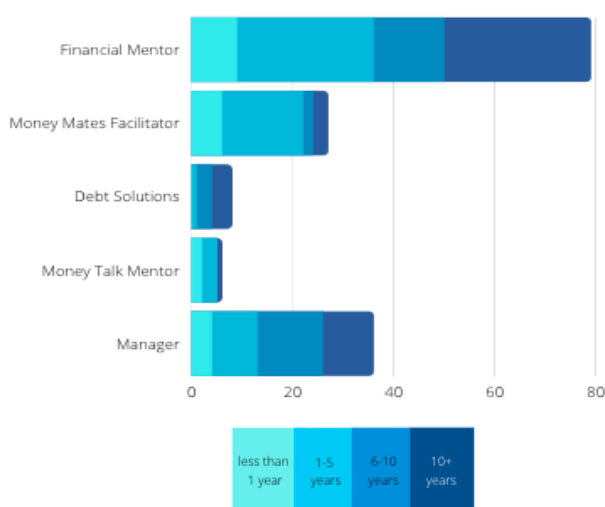
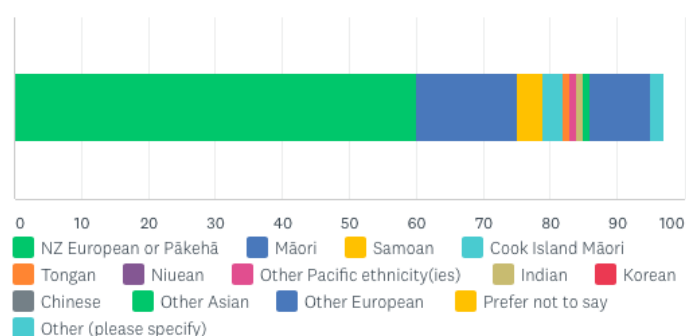


Table 2: BFC provider ethnicity (n=91)

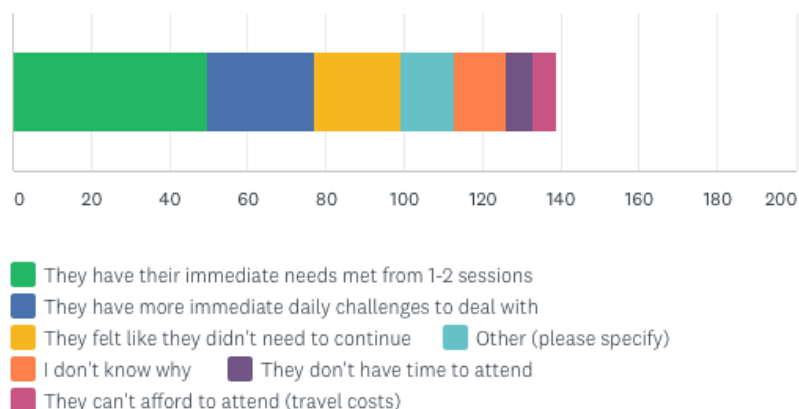


Limited engagement from some clients impacts outcomes

Many providers noted that clients often attend for only 1-2 sessions – and often this means not completing two points on the COMT. We sought to understand the main drivers for this as it is currently reflected negatively in reporting.

The main reason clients give for not returning to the service on follow-up included having their needs met in 1-2 sessions or feeling like they didn't need to continue. Many had more immediate daily challenges to deal with.

Table 3: What reason do clients typically give for not attending more than 1-2 sessions? (n=82)



“Many clients are time poor and overburdened with whānau commitments. We often continue working with these clients remotely to remove stress from their lives, trying to organise babysitters etc ...” (survey respondent)

Budgeting, understanding debt and creating goals key drivers of good outcomes

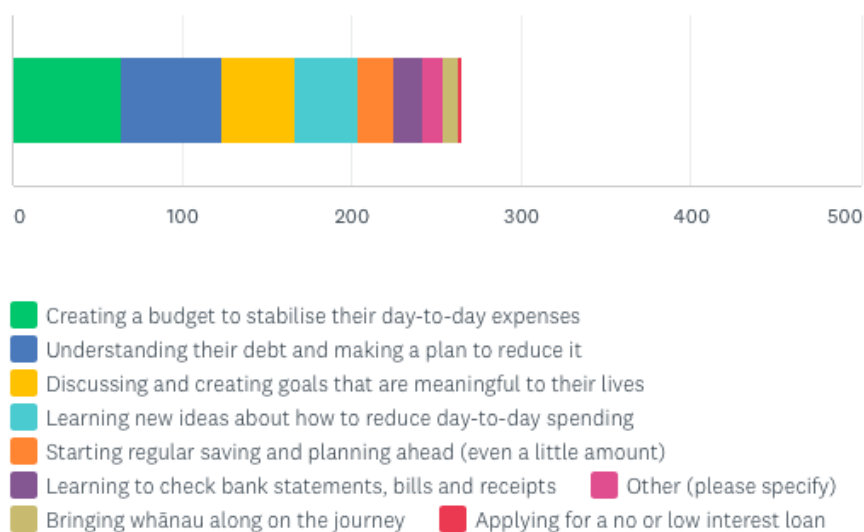
The first point of financial intervention for most mentors was creating a budget for the clients to visually see incomings/outgoings, and clearly work out remaining money. This often led to contacting creditors, trying to reduce debts owing, trying to increase income, utilising all avenues of support, and changing spending patterns. Survey respondents were asked:

In your experience, when clients are ready to engage in money discussions, what are the most important financial behaviours and skills that really support their journey? (up to 3).

The top four behaviours/skills included:

- ▾ Creating a budget to stabilise their day-to-day expenses (n=66)
- ▾ Understanding their debt and making a plan to reduce it (n=61)
- ▾ Discussing and creating goals that are meaningful to their lives (n=46)
- ▾ Learning new ideas about how to reduce day-to-day spending (n=37)

Table 4: Key financial skills and behaviours that support client outcomes (financial mentor perspective n=76)



Goal setting shaped positive outcomes

Most financial mentors used some form of **goal setting** to drive positive outcomes. A variety of goal-setting methodologies underpinned their approach. These included:

- ▼ The MSD Financial Plan of Action (minimal use)
- ▼ The GROW strength based approach: Goals; Realistic; Opportunities; Way Forward
- ▼ SMART goal setting: specific, measurable, attainable, realistic, timely.
- ▼ Pathway Plan to Financial Freedom: Now, Barriers, Staying on Track, People support, Actions, Steps to Goals/Dreams.

Providers note that "good" goal setting for clients included individualisation - achieving goals relevant for each whānau, no matter how small. There was frustration that the only tracking of goals was via case notes with no clear overview of progress.

Being empowered, lifting money stress and sharing concerns were key motivators mindsets supporting good outcomes

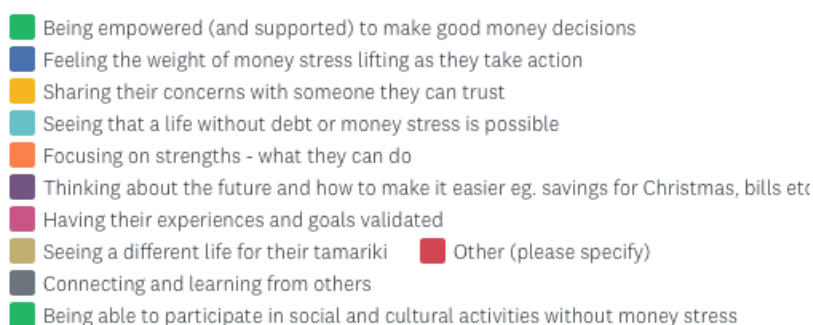
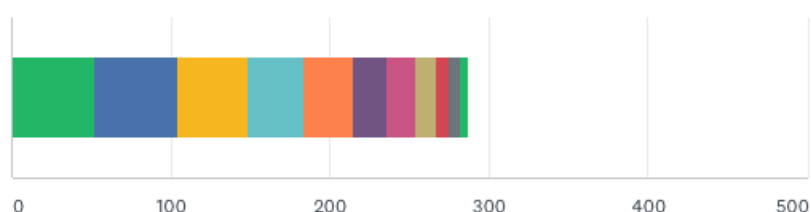
Financial mentors deliberately focused on client strengths as a starting point and worked to establish trusted relationships to empower the client.

In your experience, when clients are ready to engage in money discussions, what are the most important motivators or mindsets that inspire them to make progress towards their goals? (up to 3).

The top five motivators/mindsets that helped support the client journey were:

- ▼ Being empowered (and supported) to make good money decisions (n=52)
- ▼ Feeling the weight of money stress lifting as they take action (n=52)
- ▼ Sharing their concerns with someone they can trust (n=45)
- ▼ Seeing a life without debt or money stress is possible (n=35)
- ▼ Focusing on strengths – what they can do (n=31)

Table 5: Key motivators or mindsets that inspire progress towards goals (financial mentor perspective n=76)



Providers noted that emotional/attitudinal change was a major outcome for clients of their work, and it would be good to be able to express this in their reporting in a valuable way.

“They were heavy and weighed down, and now they're light; their attitude has changed; they feel a freedom; taking ownership and understanding their financial situation” (Financial Mentor)

Influence of whānau and church/community/religious organisations was strong

Financial wellbeing research clearly shows that socio-demographic influences shape financial capability. Although the survey did not focus on all socio-cultural influences, that of whānau and community were broadly considered.

- ▼ **81%** respondents said whānau influenced outcomes (n=75)
- ▼ **59%** respondents said community and/or religious organisations influenced outcomes (n=69)

This indicates the importance in creating services that connect with and support whānau, but also noting the influence of broader social networks such as churches in achieving outcomes.

Language of outcomes tool to reflect lived realities

Nearly all providers who were engaged face-to-face commented they had to explain the outcome questions to clients and put them into an understandable language. For example, "we have enough to meet our basic needs and obligations" was changed to "can you afford rent, food and power this week". Many providers had already shifted the language in the outcomes tool to reflect the realities of clients.

We would refer to 'helping you sort stuff out' rather than BFC, or 'making things easier/ smoother/ work better for you'. We do use the word 'debt' – that's what it is, after all!

We asked survey respondents to describe the way they use "debt" and "financial capability".

Survey respondents noted they regularly changed other language to make it relevant to clients.

The top three themes included:

- ▼ **Financial capability** is rarely used, however most clients understand debt. Sometimes clarity is required. For example, Work and Income advances not classed as "debt". Sometimes "what do you owe" is used.
- ▼ **Budgeting** is understood by the majority of clients – both positively and negatively. But actions often speak louder than words – making a budget, visually seeing incomings/outgoings is powerful.
- ▼ **Creating goals** (small or big) helps with a consistent approach, and helps clients visualise how they would like to live. Goals are expressed from the client's perspective, not financial capability language. For example, "planning ahead for Christmas" reflects financial capability behaviour of "Actively Saving".

Setting a plan to repay bills, not a scatter gun approach e.g. often clients try to pay a little to everyone and get further behind with everyone or pay bills before they are due and go short on essentials like groceries

Needs to be something simpler like "savings plan", "getting sorted", "budget". Why re-invent the wheel? People understand these words. If you don't want to use "debt" you could say "are you feeling overloaded?" but at the end of the day why not call it what it is?? Sometimes a negative thing can be the what sparks the motivation to make change.

They prefer to hear "as we work together, I can suggest different ways to use your money" "who do you owe money to and how much do you owe"

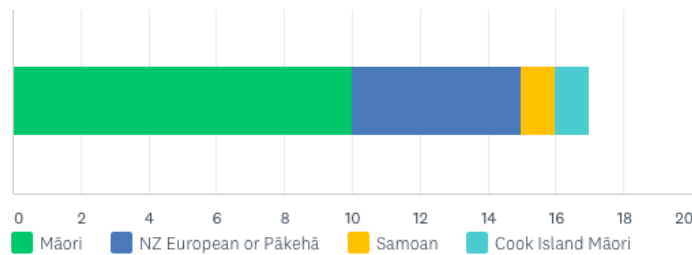
Kahukura feedback

Kahukura have a very different approach to service delivery, client engagement, and client outcomes although still coming from a strength-based perspective. Generally, deep listening, client assessment and ensuring safety of children and whānau are critical first steps.

“By having that conversation with the whānau and identifying what is on top for them. Because what I might see as priority needs may not be that for the whānau/client. I am aware that I remove my 'map' and I listen intently to the whānau and inform them of the tools, recommendations and supports that help them to decide. Generally, there is always a primary focus on essential living.”

“As a practitioner in the BFC sector, I draw upon the principle Aki aki te ti o te tangata - connect with the mauri of the whānau, and tune in to what their indescribable light (the ti) presents. When this has occurred, then as a practitioner I'm able to take the whānau through a journey of reconnect, restore and reclaim of mana.”

Table 6: Ethnicity of survey respondents (n=14)



Goal setting is a driver of change

The discussion of financial challenges may emerge during initial sessions, and sometimes it is the driver to the service. Kahukura strive to engage in a mana-enhancing way, with transparency, and always trying to "keep it real".

Work with whānau centres around goals. Goal setting takes many forms but all Kahukura noted they use various methodologies and approaches to setting goals with clients including those embedded in Te Ao Māori. These include:

- ▶ PATH (planning alternative tomorrows with hope)

- ▼ Financial Plan of Action if appropriate
- ▼ GROW model to set actionable goals
- ▼ Moemoea led by mauri and whānau

In general, client reviews are scheduled at regular intervals. Progress is recorded in case notes, or other means. Some Kahukura did not use Client Voices for their work noting it was not developed with their service delivery in mind, being too finance-centric, and not having enough confidence in its security or in its functionality for the complexity of Kahukura work. Occasionally they will use Client Voices for budget schedules.

Kahukura work with complex challenges and narrative reporting is preferred

Kahukura have a complexity with reporting due to the nature of their work. As they work with clients across the spectrum of needs including financial distress, housing stress, homelessness, wellbeing and mental health, relationships, as well as financial capability. As such the current outcome tool is relatively ineffective and meaningless to Kahukura and their clients.

Narrative reporting remains the preferred version of reporting outcomes; however, some Kahukura expressed that this could be better shaped to capture specific outcomes. For example, questions could include specific outcomes around debt reduction, improved physical and mental health, improved relationships.

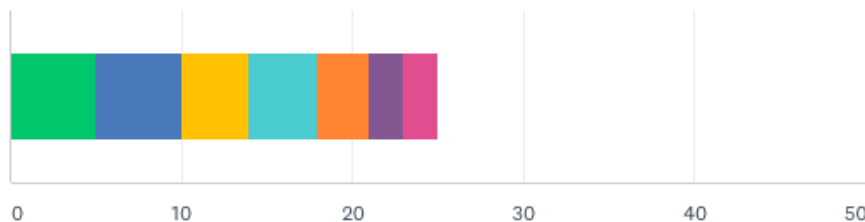
For Kahukura, reducing day-to-day spend, learning new skills, creating a budget to stabilize were drivers of positive outcomes

A similar question was asked of Kahukura about their clients with regard to behaviour and mindsets.

The top four **behaviours/skills** that help drive positive outcomes for their clients were:

- ▼ Learning new ideas about how to reduce day-to-day spending (n=5)
- ▼ Learning new skills to make good money decisions (n=5)
- ▼ Creating a budget to stabilise day-to-day expenses (n=4)
- ▼ Discussing and creating goals that are meaningful to clients (n=4)

Table 7: Key financial skills and behaviours that support client journey from Kahukura perspective (n=16)

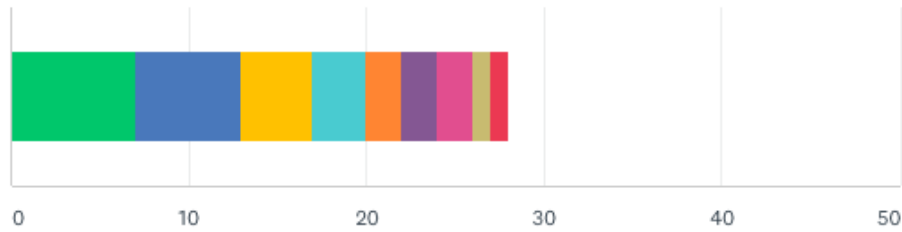


- Learning new ideas about how to reduce day-to-day spending
- Learning new skills to make good money decisions
- Creating a budget to stabilise their day-to-day expenses
- Discussing and creating goals that are meaningful to their lives
- Understanding their debt and making a plan to reduce it
- Bringing whānau along on the journey
- Other (please specify)
- Starting regular saving and planning ahead (even a little amount)
- Learning to check bank statements, bills and receipts
- Applying for a no or low interest loan

Kahukura clients required similar emotional supports to BFC clients, as well as having someone walk with them

- ▾ Sharing their concerns with someone they can trust (n=7)
- ▾ Having someone walk with them to help stabilise their money stress (n=6)
- ▾ Seeing that a life without less debt and stress is possible (n=4)
- ▾ Being empowered (supported) to make good money decisions (n=4)

Table 8: Key motivators or mindsets that inspire progress towards goals from Kahukura perspective (n=16)



- Sharing their concerns with someone they can trust
- Having someone walk with them to help stabilise their money stress
- Seeing that a life with less debt or money stress is possible
- Being empowered (supported) to make good money decisions
- Gaining confidence to make good money decisions
- Having their strengths reflected back to them
- Other (please specify)
- Seeing a different life for their tamariki
- Being able to participate in social and cultural activities without money stress

Kahukura found the Client Satisfaction questions mainly irrelevant due to the longer-term nature of their work.

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