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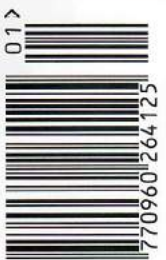
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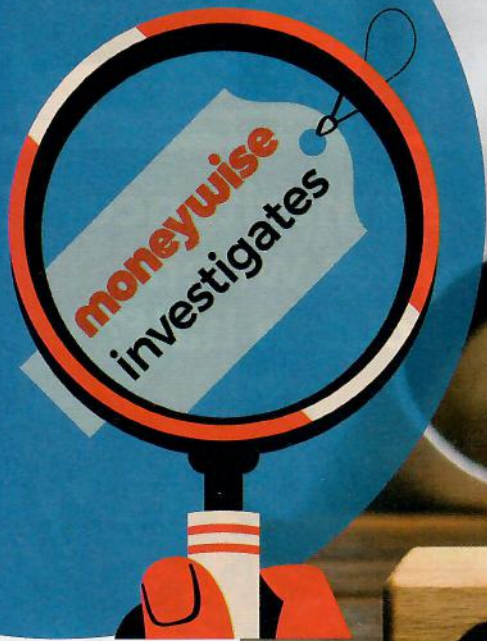


PUBLISHED BY

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GET RICH IN 2020



GET YOUR FINANCES IN SHAPE WITH A MONEY COACH

You might hire a personal trainer to help you get physically fit, so why not adopt the same approach to your financial wellbeing? If your relationship with money needs fixing, then a money coach could be the answer

BY JO THORNHILL

Are your finances always in a mess? Are you constantly shifting money between your bank accounts to stop going into the red, or have you blown your budget at Christmas and found yourself strapped for cash for the umpteenth New Year in a row?

If you are stuck in a financial rut and don't know how to break your bad habits a money coach might be able to change your attitude to money.

A money coach is different to a financial adviser – they won't try to sell you products or advise on the best investment strategy. Instead they provide more of a mentoring service, helping you to get a better understanding of your relationship with money – with the aim of

guiding you towards better control and management of your cash.

Money coach Emma Maslin writes on the website *The Money Whisperer*, which she runs: "Think of a money coach as like having a personal trainer alongside you... but for your financial health rather than your physical health."

"Money coaching is about really trying to understand – at a deeper level – why you deal with money in the way you do," says Maslin, who worked for 17 years in financial services, including as a chartered accountant, before training as a money coach.

"Many of our bad habits with money have their roots deep in our subconscious. We may have picked up these habits in childhood from our parents. Other people



Left: Simonne Gnessen was one of the first money coaches



TEN WAYS TO BE IN CONTROL OF YOUR FINANCES

- 1** Be clear in your mind about why you need to change and why you want more control of your finances.
- 2** Look at your income and outgoings and create a realistic spending plan.
- 3** Leave your credit cards at home.
- 4** Put money into your savings after pay day – don't wait until the end of the month or there won't be anything left.
- 5** If you don't know where your money goes, track it for a month and then rate those transactions in terms of happiness and whether it was 'worth it'.
- 6** Aim for a no-spend day once a week.
- 7** When making an online purchase, put something in the basket and come back to it 24 hours later – you may well change your mind.
- 8** Set up direct debits to pay your credit card each month by a set amount above the minimum payment.
- 9** Sweep any spare cash into a savings or investment account each month.
- 10** Set up a standing order into an 'occasional spending' account to save towards holidays or car repairs.

might be emotional or impulsive spenders. What I can do is help people develop a greater awareness of what they are doing, then work on strategies to break the negative behaviour."

Simonne Gnessen was one of the first money coaches, setting up her Wise Monkey Financial Coaching business in 2002 after working for 10 years as an independent financial adviser. She now helps hundreds of people every year and trains others.

"As a coach I'm looking to help people build a better relationship with money and feel calmer and more in control," says Gnessen.

"I get my clients to fill in a form before we meet so I can understand all the issues. Then in the first session I will aim to get

to the bottom of what is blocking a person from changing their bad money habits. We then work together on a plan with definite goals – meeting monthly for example, or whatever time scales work for the individual. What many people are looking for is having someone to hold them to account and keep them on track as they make positive changes."

She cites the example of a recent client, Kate*, who came to her recently for help. Kate is in her 30s with a professional job and high income but did not feel very 'grown up' in her attitude to money.

"She didn't feel in control," says Gnessen. "Although she earned a high salary, she had debts and was not achieving her goals, such as getting on the property ladder."



Money coaches



Above: Cat Plummer, in East Sussex, says debt is often why people first come to her

“There is still a lot of shame talking about money”

After meeting her money coach, Kate came to a better understanding of what was holding her back and causing her destructive cycle of borrowing and spending. She was quickly able to turn things around and within a year had bought a house and was also pursuing her dream of becoming self-employed.

“It is so rewarding to see these sorts of changes – and their impact – in someone’s life,” says Gnessen. “Having a money coach enables people to break the destructive or negative habits – for good – and move forward in a more positive way.”

Money coaches are not financial advisers and are not regulated to give financial advice. But a good

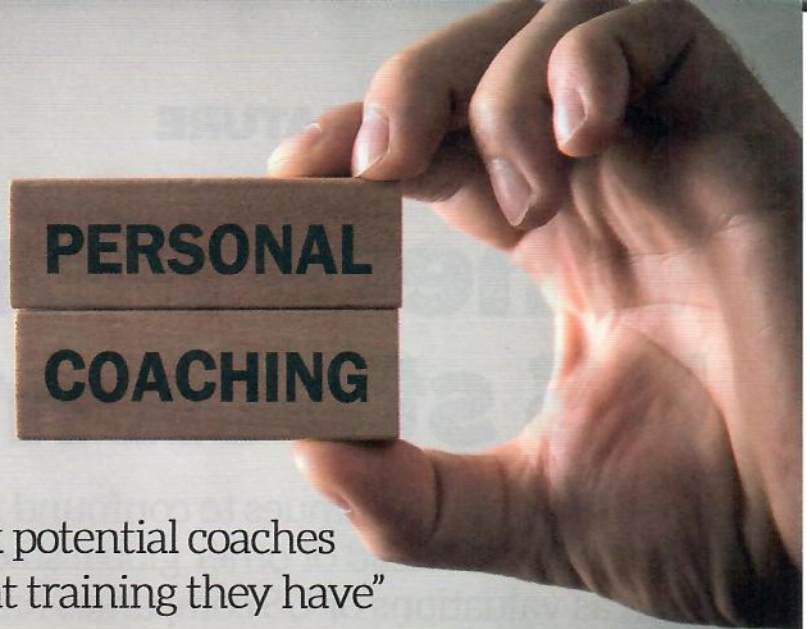
money coach will have a recognised certificate in coaching, and often they have a background in financial services, like both Gnessen and Maslin. Some financial coaches also have qualifications in neuro-linguistic programming, the study of the connection between language and behaviour or psychology.

“Ask potential coaches what training they have,” says Maslin. “Those who have life experience that you find inspiring may fall into the camp of being a good money mentor, for example. A good money coach will

Simonne Gnessen says: “It can often be helpful to work with couples as usually they will have shared money goals



ensure you develop a meaningful understanding of your own ‘money personality’ and behaviours and help you go on to take action to make positive change.”



“Ask potential coaches what training they have”

“I’VE PAID OFF A LOT OF MY DEBT AND I’M SAVING NOW”

Advertising executive Dee Miller, 39, says she has worried about money since she was 18, but since seeking the help of a money coach two years ago she has transformed her outlook.

Dee, who lives with her partner in Hackney, north London, says her anxiety around money started when she was a student and had to take out sizeable loans.

“I was always worrying about my loans and debts so I took a few credit cards out as a student,” says Dee. “I was fearful of not having enough money – just to cover the basics – so the credit was a sort of safety net. But over time the problems escalated and I just found myself in deeper debt.”

Dee had built a successful career and earns a good salary but felt she needed to tackle her bad habits when it came to money – she had savings but was also servicing big debts.

She says: “I’d used a personal trainer for my physical fitness and wellbeing and had built my confidence in that area, so I thought there must be someone who can help me get a better grip on my money management.”

Dee started seeing a money coach and says that within weeks she had some ‘light bulb moments’ about her relationship with money and what was holding her back. She worked on her budgeting skills and learnt to be more honest with herself about her impulse spending and triggers for spending. She has been able to streamline her numerous savings and credit card accounts, so she can see her whole financial picture more clearly.

“I used to be checking my accounts 10, 20 times a day,” says Dee. “That’s all stopped now. I’ve paid off a lot of the debt; I am saving now; and I am motivated to save more – all thanks to the coaching. I have set myself goals and the coach has helped me achieve them. I know I would never have done it on my own.

“I never thought I’d be debt free,” adds Dee. “but now that end is in clear sight, it is so liberating.”

Dee also says she has grown in confidence as a result of her money coach. After 13 years in the same job, two years ago she changed jobs and negotiated a great financial package.

Most money coaches tend to charge an hourly rate and the cost varies depending where you are based in the country, with London and the South East likely to see higher charges. Charges typically range from £100 to £120 an hour and slightly more for couples coaching. How frequently you want to see your coach will depend on your needs and the plan you devise with your coach, but typically monthly sessions are recommended.

Gnossen says: “It can often be helpful to work with couples as usually they will have shared money goals – although their attitudes to money and issues to tackle may be different. I often start working with an individual and then their partner will decide to come along further down the line, often once they have seen the benefits of coaching in action.”

Cat Plummer, based in East Sussex, who has been a money coach for two-and-a-half years, says there are many reasons why someone might seek the help of a money coach. But she says debt is often a starting point – where problems with money are starting to cause stress or anxiety.

“It is a very common problem that someone has debts or they are spending money instead of saving and they just don’t know how to stop,” she says.

“There is still a lot of shame associated with talking about money problems. Many people don’t feel they have anywhere to turn. I work with people to help them change their behaviours and understand their emotions around

money.”

For some people, money coaching will lead on to a need for financial planning and advice from an adviser regulated by the Financial Conduct Authority. Often this is because once you have better control over your finances and spending you may realise there is a gap, for example with income, life or illness protection policies, or with long-term savings and pensions.

Chris Budd, chairman and founder of Ovation Finance, a regulated financial planning firm based in Bristol, favours a “coaching, planning, then advice” model and believes the stages are complementary.

He says: “We help people to work out what makes them happy – and this requires financial wellbeing and coaching skills. Following this, we create a financial plan and plot a path. We can then provide advice to enable people to get there as efficiently as possible.”

Budd, along with others in the industry, has recently set up the Institute of Financial Wellbeing as a way of sharing research and ideas in the field – helping clients become happier and more in control of their money, rather than just wealthier. Growing numbers of financial advisers are looking at this model as a way of enhancing their planning and advice offering. **mw**

**Name has been changed.*

JO THORNHILL is a freelance personal finance journalist who writes for *The Guardian*, *The Daily Mail* and *This is Money*