

MAD way to effective financial counselling

I AGREE with Mr Jonathan Kwok that "knowledge is useless if we don't apply it" ("Windfall here today, gone tomorrow"; June 15).

Having been involved in financial literacy/education and financial counselling for many years, I have learnt that there must be at least three critical success factors to effectiveness - especially in financial counselling.

The person must have "MAD":

M for motivation. We can help only in a limited way in this area;

A for accountability. The person must be willing to be transparent and tell us what we need to know; and

D for documentation. The person must be diligent in tracking everything.

While these are fairly controllable factors, there are others which are uncontrollable, such as job loss.

In financial counselling, we also try to involve a third party like a case manager or family member.

We call this a "tripartite" accountability process, which increases the probability of success.

We also hope to bring the person into financial wellness by helping him or her develop good money habits over a period of time.

As with most things in life, success requires determination and discipline from us and the people we try to help.

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