

Need help tightening your belt?

A personal finance coach can help you suck it up



Anthony Bonaparte

Though I might harbour a disdain for many of the reality shows that populate the television schedule, every now and then, while surfing through the stations, one of them would put a pause to my furious clicking — at least, until the next commercial break.

Til Debt Do Us Part, a Canadian series hosted by financial coach Gail Vaz-Oxlade, is one such show. Each week, so the premise goes, Vaz-Oxlade visits a couple with debt problems and, using a tough love approach, shows them how to regain control of their household finances.

The show also caught the attention of Pointe Claire resident Lama Farran. An eight-year veteran of the financial industry, she held multiple positions at two major banks — dealing with personal loans and mortgages, investments, mutual funds and savings products. Farran realized she was looking for a change and financial coaching seemed like a good idea. “I really wanted to help people for the sole purpose of helping them, not to sell them something,” said Farran, who in late 2011 launched MaxWorth (www.maxworth.ca), a personal

finance coaching company based in the West Island.

Although financial coaching may be gaining increased exposure, Farran said it still takes some explaining. “When I tell people that I’m a personal finance coach, they often think I’m a financial advisor, but I’m not. I don’t sell anything ... Financial advisors only take you on as a client if you have money to invest. I take people as clients because they don’t have money.”

Whether it’s getting out of debt, saving for vacation, or putting money aside for a down payment on a home, a coach can put their client on the right financial track. “I help them set up a plan and a budget to know where they’re spending their money and to know how to achieve their financial goals — whatever they are,” said Farran.

Armed with a Bachelor of Commerce degree and a Graduate Certificate in Finance from McGill University, a Masters degree in International Accounting and Finance from the London School of Economics and a succession of courses with the Canadian Securities Institute, Farran is well-positioned to dole out advice.

She said the most common problem people have is when they are not aware of where and how they are spending their money. “They usually know the big amounts — how much their mortgage is costing them and how much their car is



ROB TAUSIG / THE SUBURBAN

The most common problem people have is when they are not aware of where and how they are spending their money, said personal finance coach Lama Farran.

costing them — but when it comes to the smaller amounts, they have no clue. They never added them up and realized that they’re spending \$400 a month in restaurants. It’s usually in these smaller amounts where you have the leeway to cut down,

save and budget properly.”

Since every client has unique goals and needs, coaching services are tailored to each person’s financial situation and lifestyle. So spreadsheets are created that include every single monthly expense, from the amount devoted to the home mortgage and car payments to how much is spent on lunch, snacks and the daily latte.

“This raises their financial self-awareness,” said Farran. “This is where I hear, ‘Oh, wow! This is how much I spend?’ They never saw it as a number on a screen before.”

A plan is then set up and follow-up sessions are scheduled to see if the client stuck to the budget created. “If they didn’t, then we see why they didn’t. Is it a lack of discipline or is the budget too tight for them? Then we try to readjust if we can.”

Knowing they now have to be accountable to someone, most clients stick to the plan as best they can.

Now, all this might seem like pure common sense to most, but Farran said many people need help for a variety of reasons, ranging from a lack of time and energy, to lack of knowledge or financial savvy. Coaching services might cost a few dollars, but it could be money well spent.

“It’s like an investment,” said Farran. “A long-term investment.”

anthony@thesuburban.com

Italmelodie's

PRE-CHRISTMAS PIANO SALE

November 19 - 25

We pay the equivalent of the taxes
or pay no interest for 3 years *

* on selected pianos only



Centre Musical
ITALMELODIE INC.
www.italmelodie.com

MONTREAL
250 Jean-Talon East
Montreal, Quebec
(514) 273-3224

LAVAL
3354 St-Martin West
Chomedey, Laval
(450) 681-4131



