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Am I Entitled to Help? Building Confidence Through Financial Inclusion

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Financial inclusion has focused primarily on the accessibility of financial social services. However, it is important to note that individual financial practices not only require the opportunity to access financial structures, but also confidence in their accessibility to engage in and utilize such services. Individuals facing difficult life situations often encounter challenges in financial activities due to limited resources and a need for more skills. Consequently, their financial capability is often restricted, and they more frequently experience financial exclusion. Despite this problem, the literature on financial inclusion needs to give more attention to subjective financial inclusion. To understand the process of financially including vulnerable consumers, this study examines how experienced financial inclusion was a crucial element of financial capability in study participants' daily financial activities. The study collected qualitative data from patients at Addiction Hospital in Järvenpää, Finland. The findings indicate that, before their experienced financial inclusion, the participants felt confident in being entitled to the available financial social services and their achievability. We suggest that supportive financial coaching should not only empower personal abilities and enable external opportunities but also build confidence in a sense of entitlement to fully utilize available financial social services.

Keywords: financial inclusion, financial capability, vulnerable consumers

INTRODUCTION

The current financial environment is challenging for all consumers, especially those in vulnerable life situations, such as having a low income or being affected by unemployment, over-indebtedness, divorce, illnesses, or addictions to substances (e.g., Nielsen et al., 2016; Taylor et al., 2011). In addition to life circumstances, innovative financial services and novel technologies for managing money pose challenges for consumers' financial knowledge and skills. Financially vulnerable consumers, in particular, are critically impacted by a lack of skills. Financial vulnerability is associated with limited resources, low income, financial insecurity, and exposure to risks (O'Connor et al., 2019; Sherraden et al., 2018). Such consumers often have limited options for managing unexpected financial difficulties and maintaining financial stability. Their challenges relate to personal ability, such as a lack of financial management and planning skills (Xiao & Porto, 2022), as well as a lack of opportunities, such as limited access to financial services (Sherraden et al., 2019). To manage the risks of unexpected financial hardship and promote financial stability, it is essential to emphasize financial capability (Potocki, 2022).

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Financial capability is a broad theoretical concept that emphasizes different characteristics in various contexts. Atkinson et al. (2006) conducted one of the earliest studies on financial capability levels in the UK. Their study approached financial capability from a practical viewpoint, consisting of four main domains: (a) managing money, (b) planning ahead, (c) choosing products, and (d) staying informed about financial issues. Although this practical viewpoint enhances the personal and behavioral aspects of financial capability, the influence of financial structures on individual behavior has been well acknowledged. Johnson and Sherraden (2007) approached financial capability as the ability to act (referring to people's internal conditions) and the opportunity to act (referring to people's external conditions and financial structures), with both required for the pursuit of financial well-being. Sherraden (2013) further highlighted, referring to Nussbaum (2000), the interrelationship between internal conditions, such as financial knowledge and skills (i.e., financial literacy), and external conditions, such as financial inclusion (i.e., access to financial services), in low-income households. Sherraden's review showed that financial capability is based on the interaction between financial literacy and financial services. Hence, educational interventions that focus on financial knowledge and skills should include facilitating access to financial products and services.

Utilizing financial services is more difficult with limited skills and resources. Individuals in vulnerable positions have an increased risk of experiencing financial hardships and challenges when planning for the future and participating in long-term financial products (O'Connor et al., 2019). Studies of vulnerable consumers' financial capabilities have emphasized their opportunities to act (Sherraden et al., 2018; Xiao & Porto, 2022). The accessibility and availability of financial services are often associated with financial inclusion. According to Peterson's review of financial inclusion studies (2021), it "is the process of ensuring that individuals, especially poor people, have access to basic financial services in the formal financial sector" (p. 2). In addition, financial inclusion has been associated with having access to the formal financial sector, such as banking. Experts have approached financial inclusion from the viewpoint of national strategies and policies that connect financial literacy and financial capability.

Thus, researchers and experts have approached financial inclusion mainly from the viewpoint of macroeconomics and service providers. Consumers' experience of financial service accessibility, that is, subjective financial inclusion, needs increased academic attention (see Potocki, 2022). One of the few studies conducted found that self-efficacy functions as a mediator between social norms and financial inclusion (Mindra & Moya, 2017). Mindra and Moya's (2017) study approached the financial inclusion of vulnerable consumers from a subjective viewpoint. Subjective financial inclusion is associated with a person's experience with accessing financial services. Thus, subjective financial inclusion is a vital element in building financial capability together with personal abilities (i.e., financial knowledge, skills, and self-beliefs) and objective financial inclusion (i.e., the objective achievability of financial services; see Sherraden, 2013). From the viewpoint of the participants in this study, financial services refer to external social services and financial support that enhance financial well-being. With respect to financial behavior, personal and external elements are intertwined: individuals consider their abilities as well as their opportunities when initiating financial activities (Sen, 1999; Sherraden, 2013; Storchi & Johnson, 2016; Sun et al., 2022). Hence, within this study, financial inclusion is a part of financial capability and is approached via the activities of study participants during a financial coaching period. This study then investigates the experienced achievability of financial social services and support, that is, subjective financial inclusion. Understanding subjective financial inclusion is valuable when planning and implementing holistic financial interventions, such as therapy, coaching, and education for at-risk individuals.

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LITERATURE REVIEW

Financial Capability Fragility Among Vulnerable Consumers

Financial vulnerability can be defined as a risk of financial hardship (O'Connor et al., 2019). Financial vulnerability refers to having a low income and facing financial insecurity or exposure to financial risks and stress. With limitations in day-to-day resources, financial vulnerability can have emotional implications, making it difficult to plan for a better future as immediate financial challenges dominate everyday life (Sherraden et al., 2018). Financial stress induced by economic hardship has long-term effects on subjective well-being (Ranta et al., 2020). Xiao and Porto (2022) identified the financial behavior of vulnerable consumers using these variables: (a) money management, (b) follow-through, (c) propensity to plan, and (d) saving habits. According to Xiao and Porto, financial behavior is the largest contributor to the financial well-being of those living in poverty or near poverty. In addition, the association between financial behavior and financial well-being is highest among the least confident consumers. Xiao and Huang's (2021) literature review emphasized the behavioral aspects of financial capability; they associate financial capability with the ability to apply financial knowledge, take advantage of financial opportunities, and perform desirable financial behavior.

However, studies that focus only on an individual's behavioral aspects often miss the interplay with the financial environment in everyday activities as well as the uniqueness of an individual's background. Huang et al. (2021) emphasized that financial capability lies in the interaction between the individual and the environment. Individual conditions, such as financial knowledge and skills, financial self-beliefs (Frey et al., 2015), and environmental conditions (e.g., financial structure and services; Hageman & Pecukonis, 2021; Sherraden, 2013;), are thus stressed equally. Serido et al. (2013) described financial capability as a process in which changes in financial knowledge improve financial self-belief, which thereafter improves financial behavior, promoting financial and overall well-being. Therefore, financial capability is a developmental rather than a remedial activity (Loke et al., 2015) in addition to a dynamic process rather than a stable state (Serido et al., 2013).

Environmental conditions frame an individual's financial activities. Environmental conditions have been associated with opportunities and services (e.g., institutions, policies, laws, and regulations) that enable the achievability of and access to services (Birkenmaier et al., 2013). Further, financial opportunities refer to the degree to which an individual uses such services and the quality and cost thereof (see Barajas et al., 2020; Sun et al., 2022). However, prior studies have placed different levels of emphasis on environmental conditions. Sherraden et al. (2018) argued that personal financial capability is affected and shaped by social influences, for example by social network, family, gender, community, and culture, throughout a person's lifespan. Hence, external conditions are closely integrated with personal financial capability, mainly as personal financial capability develops. Moreover, the viewpoint is stressed in social work practice, which relates individual behavior to a social structure (Huang et al., 2021).

Potocki (2022) emphasized the role of financial institutions in facilitating or impeding access to services, drawing on Sen's (1993) capability approach and the importance of financial institutions in enabling or restricting access to services. Sen's (1993, 1999, 2005) argument posited that capability is associated with freedom created by a combination of personal abilities and existing political, social, and economic conditions. Freedom implies a notion of choice, like capability (Nussbaum, 2011), referring to the capability approach's dynamic characteristics of

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function. Functionings are, in other words, realized capabilities. Thus, financial capability allows individuals to choose from a range of achievable financial functionings. Sen (1999) distinguished between the process and opportunity aspect of freedom, identifying the former as the processes enabling freedom of actions and decisions and the latter as the opportunities people have based on their personal and societal circumstances (p. 17). In this regard, Sherraden's approach to financial capability focuses on the process aspect, while Potocki's approach emphasizes the opportunity aspect.

Furthermore, Sherraden (2013) asserted the significance of financial inclusion as a constituent of financial capability together with financial knowledge and skills. Sherraden placed particular emphasis on the accessibility, affordability, usability, security, and reliability of financial services and products for low-income individuals. Research has explored financial inclusion in the context of various financial services, such as banking services, remittances, insurance, microfinance, and digital financial services (Fernández-Olit et al., 2019). Moreover, investigations have been conducted into the association between financial inclusion and social inclusion (Ozili, 2020). However, Peterson (2021) suggested that more approaches are required to investigate excluded members of the population while acknowledging the procedural and study size difficulties associated with such approaches (see also Fernández-Olit et al., 2019).

Financial Inclusion Interventions

Vulnerable consumers frequently encounter difficulties in effectively taking advantage of educational or supportive interventions, particularly when it comes to acquiring financial knowledge that might impact their financial behavior (Hadar et al., 2013; Kaiser & Menkhoff, 2017). A variety of financial interventions aim to positively influence consumers' financial capability. In the case of financial education and coaching, the ultimate objective is to affect behavior, but the client's ability to respond to such initiatives varies. For those struggling with the underlying determinants of behavior, it may not be relevant to focus on future plans, overcoming financial obstacles, or increasing financial knowledge. This distinction has been recognized in discussions of financial therapy, which draws on financial counseling and systems theory to incorporate the multidisciplinary factors that impact the well-being of individuals as well as their families. In financial therapy, it is crucial to holistically understand a client's situation and to establish a trustworthy client-therapist relationship (Archuleta & Grable, 2011).

The suboptimal nature of financial education in addressing the unique situations and problems of at-risk individuals has been noted in prior studies. Financial therapy and coaching respect the individuality of clients, with coaching emphasizing behavioral change in relation to financial issues, while financial therapy emphasizes overall (family) well-being (Peeters et al., 2018). Financial coaching, as described by Collins et al. (2013), is an ongoing process that prioritizes goal setting, establishing a plan, monitoring progress, and, ultimately, forming new financial habits. Unlike financial education, financial coaching emphasizes an equal partnership between participant and coach, with the participant's agency being emphasized. In this regard, participants are assumed to possess the desire to improve their financial circumstances.

The potential for financial coaching to promote new practices lies in its ability to boost self-determination and control. However, any positive development in financial behavior through coaching requires certain conditions to be met, such as an emphasis on healthy attitudes, a supportive social network, and building participant confidence in utilizing their capabilities (Peeters et al., 2018). As a result, coaching techniques and approaches have been integrated into financial education programs for vulnerable consumers. When considering financial education

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or coaching interventions, the significance of self-efficacy has been identified in relation to the pursuit of healthier financial behavior (Xiao et al., 2014). Self-efficacy is recognized as an important prerequisite for financial capability (Ozmete & Hira, 2011). Financial self-efficacy, which is an individual's confidence in their ability to control their behavior and possess the required skills, impacts financial and overall well-being (Ranta & Salmela-Aro, 2018; Serido et al., 2013; Xiao & O'Neill, 2016). Self-efficacy has been observed as a mediator between financial knowledge and behavior (Loke et al., 2015; Rothwell et al., 2016), and it is emphasized with respect to the financial behavior of vulnerable consumers (see Serido et al., 2013). Scholars generally associate self-efficacy with personal capabilities. However, they also emphasize a person's confidence in finding structural opportunities (see Isola et al., 2020; Nelson et al., 2015). Without confidence in one's ability to seek out structural opportunities, such opportunities are not pursued. As Storchi and Johnson (2016) pointed out, increasing the availability of financial services is only valuable if it is accompanied by an increase in the range of possibilities.

This study focuses on subjective financial inclusion, defined as the experienced achievability of financial social services. This study was conducted in Finland, where citizens have access to fundamental services, such as bank accounts and social security numbers. Additionally, citizens are entitled to basic subsistence funding. The participants in the study were patients at Addiction Hospital in Järvenpää. Formal financial services, such as investments and savings plans, were not pertinent to their situation. As participants' sources of income are varied, these sources and their associated services were referred to as financial social services in this study.

The context of this study was a financial coaching intervention as a component of a project that aimed to increase Addict Hospital patients' everyday management skills. The study participants had received professional care for their addictions at Addiction Hospital. After the rehabilitation period, the participants transitioned back to their normal financial environment with all its requirements. The financial coaching intervention offered them an additional opportunity to concentrate on everyday financial issues that were otherwise only superficially covered during hospital care. During the coaching, they returned to their former financial routines and developed their everyday financial practices. This situation served as an opportunity to investigate subjective financial inclusion.

METHOD

The design of this study is based on a financial coaching intervention (see Appendix). The researcher responsible was involved in the planning of the financial coaching. The study design accounted for the level of trust and relationship between the coaches and participants as well as the data collection objectives of the research. The dataset consists of the participants' end-of-process discussions. A qualitative study was conducted utilizing pattern analysis methods and inductive interpretation to derive meaning from the data (Padgett, 2008). Inductive interpretation involves a cyclical process of analyzing data and literature to comprehend a phenomenon (Adkins & Ozanne, 2005). Patton (2015) suggested that inductive analysis aims to construct a coherent conceptual framework for a phenomenon and identify its key components. Through iterative cycles of deep analysis, meaning is developed.

The context of the present study was a financial coaching intervention as a component of a three-year project that focused on enhancing the everyday management skills of Addict Hospital patients. Addict Hospital in Järvenpää, southern Finland, provides institutionalized care for patients from all over the country suffering from various addictions, predominantly

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intoxicants, that is, alcohol and drugs. The hospital employs cognitive behavioral therapy (CBT) in its rehabilitation processes, which focuses on influencing the underlying emotions and perceptions that contribute to substance abuse and affect patients' everyday lives. The opportunity to participate in the coaching was offered to Addict Hospital patients who were in the process of settling into a normal environment during the project's timeline. Patients voluntarily participated in the financial coaching intervention, which lasted for several weeks during the spring and fall terms. Students from a university of applied sciences served as coaches and voluntarily participated in the project. The coaching intervention is fully described in the Appendix.

The financial coaching intervention was designed with the intent of providing support to patients in their day-to-day financial activities, such as clarifying their financial situation, liabilities, expenses, and income sufficiency and providing them with assistance in making ends meet. Participants were given the opportunity to co-design the topics, forms, and time frame of the coaching alongside the coaches. The researcher supervised the processes and organized steering meetings for the coaches during their time working with the participants. However, participant recruitment for the project proved to be challenging. First, patients needed to possess certain psychophysiological resources, including cognitive abilities, to participate and set goals. Second, many patients found it difficult to disclose a need for financial coaching. Third, participation in the project required a commitment of several weeks. In the spring term, thirteen patients attended the first meeting at the hospital. Three of the thirteen began the coaching intervention, but only two continued until the concluding discussion. In the fall term, fifteen patients attended the first meeting, four of whom began the coaching intervention, with only one completing the final discussion. Three participants followed through with the entire project (see Figure 1, Appendix 1). The participants are pseudonymized as Joakim, Laura, and Pete (see Table 1).

Table 1.

Background information of the participants.

	Joakim	**Laura**	**Pete**
Gender	Male	Female	Male
Age range	Thirties	Forties	Fifties
Household	Single	Single mother, one son	Single
Extended household	Spouse and son live separately	Parents	Brother
Income	Funding from different authorities	Funding from different authorities	Funding from different authorities
Experienced vulnerability	Shortage of skills, knowledge, and solid routines	Challenges with memory and concentration due medical treatment	Shortage of skills and knowledge, limited financial resources

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Joakim's project lasted seven weeks, Pete's lasted five weeks, and Laura's three weeks. The participants' ages and financial situations varied, yet they all experienced financial vulnerability at the beginning of the coaching.

Shortly after the coaching intervention, the participants, coaches, and researcher responsible discussed the process and its outcomes. The discussions were transcribed and assessed using the pattern analysis method. The data was approached in two phases. The first phase concentrated on participants' accounts of the financial activities they had initiated during the coaching period. The second phase focused on interpreting the analysis from the perspective of financial capability, emphasizing subjective financial inclusion. The results are presented accordingly.

RESULTS

Three Narratives of Initiating Financial Activities in Financial Coaching

The present study employed the pattern analysis method described by Patton (2015). Given that self-efficacy is an important determinant of financial behavior among vulnerable consumers, special attention was paid to any expressions of confidence exhibited by the participants. Owing to the unique challenges of the participants, the financial coaching process was distinct in terms of its length and content. To this end, the background of the participants (see Table 1) and the manner in which the financial coaching was conducted are described in an individualized fashion.

For Joakim, the initial objective of the coaching sessions was to comprehend his financial predicament clearly and to mitigate liabilities. Joakim anticipated fatherhood in the near future and, therefore, desired to settle all outstanding debts and minimize residual fixed expenses. To procure the requisite information, he initiated communication with his creditors. Such an undertaking posed emotional difficulties for Joakim since he was accustomed to circumventing unpleasant circumstances, such as confronting outstanding liabilities. However, he was able to face the situation and make the necessary phone calls with the guidance and assistance of the coaches. Joakim and the coaches developed a more comprehensive overview of his financial situation during the weekly meetings. The meetings also facilitated Joakim's gradual progress towards meeting the stated objective and enabled him to pay off open invoices and reduce unnecessary costs, as evidenced in the following excerpt by Joakim.

> It was useful to be able to discuss these [financial] issues with people from outside. It gave me the feeling that they are manageable. […] It helped me to structure the big picture. In practice, too, to contact the creditors one by one and book the debts. When every debt was booked, I could see the big picture. (Joakim)

Joakim experienced a sense of reward in the process of reducing the number of creditors and outstanding liabilities, which motivated him to proceed with the next steps. Adhering to timely financial obligations was a new behavioral norm for him, as he had previously made a habit of postponing payments. As the coaching intervention spanned several weeks, he was afforded ample opportunities to practice the new habit of making timely payments. With the clearance of liabilities, he set a new goal to search for new income sources and funding options. Despite being a masseur by profession, a search for full-time vacancies in his field yielded no results. Rather than conceding defeat, he opted to pursue entrepreneurship. Through

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collaborating with the coaches, he identified various funding sources for startups. Additionally, he prepared a business plan, gradually refining it during weekly meetings. Upon encountering inevitable obstacles as an entrepreneur, he referred to his well-formulated business plan, cash flow, and risk calculations for guidance. The ability to create such plans instilled a sense of confidence in handling financial difficulties as an entrepreneur.

Laura's project began with an assessment of her financial status, inclusive of her current income and expenses. The coaches assisted by acquainting her with subsistence funding options, along with their associated terms and tax implications. Furthermore, they guided her in expense structuring and aided her in reaching out to her creditors. Together, they formulated a comprehensive budget for her day-to-day life. Prior to struggles with addiction, Laura had worked as a social worker, assisting individuals in challenging life situations similar to the one she was currently facing. In fact, she had interacted with the very same funding officials who were now serving as her clientele. This background rendered her proficient in the critical areas of necessary financial acumen and skills, encompassing such aspects as managing various funding sources, applying for income support, expediting decision-making, and comprehending the terms of diverse forms of income support. Laura asserted that engaging with government authorities was time-consuming and demanded expertise and perseverance. Despite her professional background, Laura struggled to manage her daily finances, which led to insecurity, not only about her proficiency but also in terms of controlling the overall situation, as evidenced in the following excerpt by Laura.

> At this point in life, you should be able to manage your personal business. But it feels that once you manage one thing, another is falling apart. That is the reality with people that have a lot of difficulties. (Laura)

Laura's decision-making and future plans were significantly affected by her feelings of insecurity. For example, she contemplated giving up control of a forthcoming inheritance to her mother instead of managing the funds independently or in collaboration with her mother.

Pete's objectives during the coaching sessions were to manage his expenses effectively, ensure his financial stability, and explore potential income-generating opportunities. He engaged in regular weekly meetings with his coaches over the phone. Together, they categorized his earnings and expenditures. With the guidance of his coaches, Pete analyzed his expenses, reduced his fixed costs, including electricity and phone bills, and eliminated discretionary spending such as cable television. In addition, they evaluated his daily flexibility to account for grocery expenses. As evident from the excerpt below, Pete affirms that deliberate consideration of his monthly budget empowered him to change his financial management practices, exemplified by his greater awareness of expenditures when grocery shopping.

> I have learned to pay attention to daily money management. Not exact bookkeeping or anything like that. But calculating in my head, like we calculated together, how much I can spend per day. And you can save a little bit through [your] daily actions. (Pete)

However, Pete's consideration of his financial future did not persist beyond a few months. As part of his coaching, he visited job recruitment sites but felt unqualified for open positions due to his age and gender, and consequently, he did not pursue employment further. Nevertheless, Pete has successfully earned additional income through gambling.

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Gradual Construction of Confidence Towards Subjective Financial Inclusion

The above three narratives have explicated the daily financial activities the participants engaged in with the support of coaching intervention. In the second phase of the analysis, the examples of initiated financial activities were construed within the scope of financial capability. As per the assertions of Sen (1999), financial capability is intricately linked with the freedom to opt for valued functionings in the pursuit of well-being. It is positioned at the intersection of personal abilities and political, social, and economic conditions. Sen delineated two aspects of freedom—(a) the processes that enable freedom of actions, and the opportunities that individuals possess in light of their personal and societal circumstances. In this vein, two questions were posed in relation to the data. First, how did the participants perceive their (a) personal abilities and (b) societal conditions when initiating financial activities? Second, to what extent did the participants perceive a sense of freedom in their actions?

Regarding perceptions of personal abilities, all participants in the study reported experiencing financial vulnerability in the initial stages of the coaching intervention. This led to feelings of insecurity regarding their financial situation and future prospects. Consequently, the participants felt that their ability to influence the situation was limited. Joakim, for instance, struggled with anxiety due to the lack of clarity surrounding his financial circumstances. Laura felt cognitively challenged because of her medication, while Pete cited his gender and age as constraining his opportunities. Despite these negative perceptions, however, all participants were actively engaged in various financial initiatives during the coaching intervention, demonstrating a strong desire to improve their financial situation. The practical experiences and supportive coaching had a positive influence on their understanding of their abilities and their ability to influence their financial situations. Specifically, they became more aware of the process of improving their abilities. For example, Joakim referred to it as a learning process, while Laura and Pete associated the process with attaining a new perspective.

The participants' perceptions of societal conditions were influenced by their interactions with different authorities. The participants' means of living came from various official funding sources, and they regularly interacted with authorities. However, their experiences of humiliating encounters had a profound impact on them. Laura faced challenges when she was referred from one worker to another and had to wait an undisclosed amount of time for funding decisions. She internalized these obstacles and felt that her appearance was the reason for the delay. Interestingly, Laura herself had a background in social work, which highlights the complexity of the challenges faced by those seeking financial social services. The administrative restrictions when receiving financial social services were interpreted on a personal level.

The experiences of vulnerability among the participants were not only caused by the bureaucratic red tape in accessing the services but also by their experienced inability to influence their standard of living. Despite receiving regular financial support, the participants found it limited and insufficient. Pete explains that:

> No project can help if the money is insufficient and just does not cover the costs, I have learned to notice. A while back, I tried not to hustle any extra cash. And it was quite useless to try to survive with 8–9 euros per day. (Pete)

In the excerpt, Pete's comment exemplifies the challenges of managing such limited funds. He learned that no project could be successful if the funds were insufficient and unable to cover

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the costs. Pete found it quite useless to try to survive on eight to nine euros per day. He described his daily living attempts as "surviving" and "useless," indicating that he struggled to accept such a standard of living. As a result, the participants experienced feelings of vulnerability and an undignified living situation, as Pete later expressed. In summary, despite being entitled to basic regular income funding, the level of support provided, as well as the encounters with officials, were unable to alleviate the experienced sense of vulnerability among participants.

The participants emphasized a feeling of confidence when describing their initiated activities. Confidence was interlinked with self-efficacy in terms of personal abilities and the possibility of controlling and influencing their financial situations. Furthermore, expressions of confidence were associated with social conditions, specifically the potential to engage with financial social services. The process of building confidence was akin to a skill rather than an attitude and benefitted from repetitive practices. In accordance with Bandura's (1997) understanding of resilient self-efficacy, the increasing confidence of the participants was not based on momentary success or failure but rather on an obstacle-overcoming process. Joakim's case exemplifies the developmental nature of confidence. Initially, he had limited confidence in his abilities and resources, but as the project progressed, his confidence grew, enabling him to start working as a masseur and establish his own company while understanding the potential challenges as a new entrepreneur.

Alternatively, Pete's experience was opposite of Joakim's. During the financial coaching, Pete attempted to explore new income options. However, Pete's insecurity regarding his suitability for job vacancies discouraged him from this pursuit. In contrast, he was confident about his ability to gamble successfully.

> I think that I am satisfied with little money, just that you manage and can buy food. Anyway, if you happen to earn some extra money from somewhere every now and then, like hustling ten or fifteen euros per day, whatever it would be. In that way, you can live with self-respect. (Pete)

For Pete, being able to acquire extra money instilled confidence in his ability to influence his financial situation. However, gambling conflicts with the conventional understanding of healthy financial behavior. Although Pete was aware of the undesired financial behavior associated with gambling, his gambling continued. By choosing to gamble, he exercised his freedom to engage in activities he valued.

The participants perceived their sense of entitlement to financial social services as exhibiting confidence in societal conditions. As illustrated by Joakim's case, financial coaching provided him with an opportunity to access new sources of income for himself and his planned startup. However, his past experiences of mismanaging personal finances initially reduced his confidence in being entitled to funding opportunities, as evidenced in the following excerpt:

> This is a good time to submit [an application] for starting funds. But for sure, I was uncertain, because of my background, if I am entitled to get start-up funding. Because I had defaulted on payments from the unmanaged debts, and that could be a barrier. (Joakim)

The gradual increase in the participants' confidence regarding their entitlement to services, specifically in locating supplementary funding opportunities, was accompanied by a

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corresponding improvement in their personal abilities. In terms of freedom, the presence or absence of confidence had a significant influence on both the activities undertaken by the participants and their perceptions of the financial landscape. Confidence, in this sense, facilitated the realization of financial objectives and the expansion of activities towards novel financial prospects.

Interpretation of the participants' perceptions of the processes that enhanced their freedom of action followed studies by Sen (1999), Sherraden (2013), and Potocki (2022), meaning that assessment of the data focused on the developmental characteristics of financial capability. The participants felt that the financial coaching was beneficial; it enabled them to learn new practices and consider their financial situation from a different perspective, both of which they associated with an increased sense of freedom. The objective of the coaching was, first and foremost, to support the participants in initiating unfamiliar activities, but it also gave the participants a forum to reflect on their performances and financial situations in general. Both strategies helped the participants become more aware of their development, as the following extract from Joakim explains:

> *Considering where I started, a lot has happened in seven weeks' time. We sat down weekly and considered the situation. Every time there was a little progress, so that every week the financial situation got a little better. In that way, it developed systematically. (Joakim*)

In other words, the support provided by the financial coaching was not about providing instructions on how to behave (financial counseling) or discussing the underlying determinants of the participants' behavior, for instance, reasoning with them about their behavior from a holistic standpoint (financial therapy). Rather, it was about supporting the participants in taking initiative. Financial coaching gave the participants the possibility of having positive experiences and building on those experiences by discussing the initiatives afterward.

DISCUSSION

This study investigated the perceptions of financial capability and subjective financial inclusion of vulnerable consumers. Financial capability was approached as both personal abilities and social conditions, including financial inclusion and access to services that enhance a person's freedom to act (Çera et al., 2021; Johnson & Sherraden, 2007; Nussbaum, 2011; Sen, 1999). This study has emphasized the relevance of the capability approach with respect to vulnerable consumers (Nussbaum, 2011; Potocki, 2022; Sen, 1999, 2005; Sherraden, 2013, Sherraden et al., 2018). Financial and social services are intertwined in the daily lives of vulnerable consumers. The attainability of such services was evaluated together with an assessment of personal abilities. The evaluations are emphasized in relation to expanding funding opportunities or initiating new activities.

Subjective financial inclusion was characterized in the study using several elements. Initially, the participants experienced vulnerability due to their personal condition and abilities. They engaged in subsistence services, but the level of funding was limited and challenged participants' financial management skills. Building daily budgets with a clear picture of income sources and fixed expenses helped participants develop better day-to-day financial management skills. With an increased sense of manageability, they were able to expand their income opportunities as well as control their expenses.

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Second, the participants perceived interactions with officials as bureaucratic, which increased their frustration. Bureaucracy and humiliating encounters were interpreted personally, which caused participants to be wary of the officials, in line with the results from Isola et al. (2022). Despite the presence of financial support services, participants still experienced a sense of vulnerability, and their confidence in influencing their situation was fragile. Confidence in controlling one's behavior was a prerequisite for initiating activities in the study. However, confidence in possessing the required personal abilities did not guarantee that a participant would utilize the services. The findings are consistent with prior studies. The importance of self-efficacy has been acknowledged with respect to financial behavior (e.g., Bandura, 1997; Ozmete & Hira, 2011) as well as financial capability (Frey et al., 2015; Peeters et al., 2018). A study by Mindra and Moya (2017) found that self-efficacy is a mediator in financial inclusion.

Third, confidence in being entitled to the required services was necessary. The vulnerability of the participants affected their beliefs regarding entitlement. Only a limited number of studies have been done on financial inclusion confidence (Fernández-Olit et al., 2019; Peterson, 2021). In this study, subjective financial inclusion was constructed through positive encounters with authority and increased self-efficacy to control the situation. In other words, building subjective financial inclusion was a process. Vulnerable groups require resources for daily living, and therefore, financial social services should prioritize the acquisition of such resources over sophisticated financial products. Financial inclusion should focus on providing access to financial resources and supporting personal abilities to sustain resources, as well as creating new income opportunities. Consumers' beliefs about their entitlement to funding and services should be addressed before building financial inclusion models.

Financial coaching was beneficial to the participants at the stage of leaving hospital care, ensuring the facilitation of financial activities in their day-to-day lives (Collins et al., 2013; Sherraden et al., 2016). The coaching primarily focused on financial counseling rather than therapy, tailored to participants' needs. In this regard, educational interventions with vulnerable consumers are challenging; adequate knowledge should be individually designed and allocated (see Peeters et al., 2018).

The financial coaching intervention had limitations, such as the inability of participants to reflect on their experiences with each other and the short coaching period. Interventions that aim to influence behavior require a longer time span. Building confidence through financial inclusion was complicated, and designing influential educational interventions according to participants' needs is essential. As Kaiser and Menkhoff (2017) argued, influential educational interventions must be correctly timed and designed according to a participant's needs. Designing financial coaching that enables and encourages participants to engage in financial activities is challenging. On-demand and designed financial coaching with vulnerable consumers is important but is resource-intensive. Partnerships with educational institutions are recommended to better allocate social services resources. Discreet and designable methods are needed to motivate vulnerable consumers during the coaching process.

CONCLUSION

This study aimed to highlight how vulnerable consumers perceive subjective financial inclusion. Participants in the study found that they were more aware of their daily financial activities upon leaving the hospital and settling back into their normal lives. The participants attribute this awareness to the financial coaching they received. This opportunity highlights the

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uniqueness of this study in focusing on subjective financial inclusion. To establish the financial social services and funding resources available for different consumer groups, consumers' experiences accessing the services should be emphasized. Further studies should examine the processes and opportunities of subjective financial inclusion, particularly with specialized groups.

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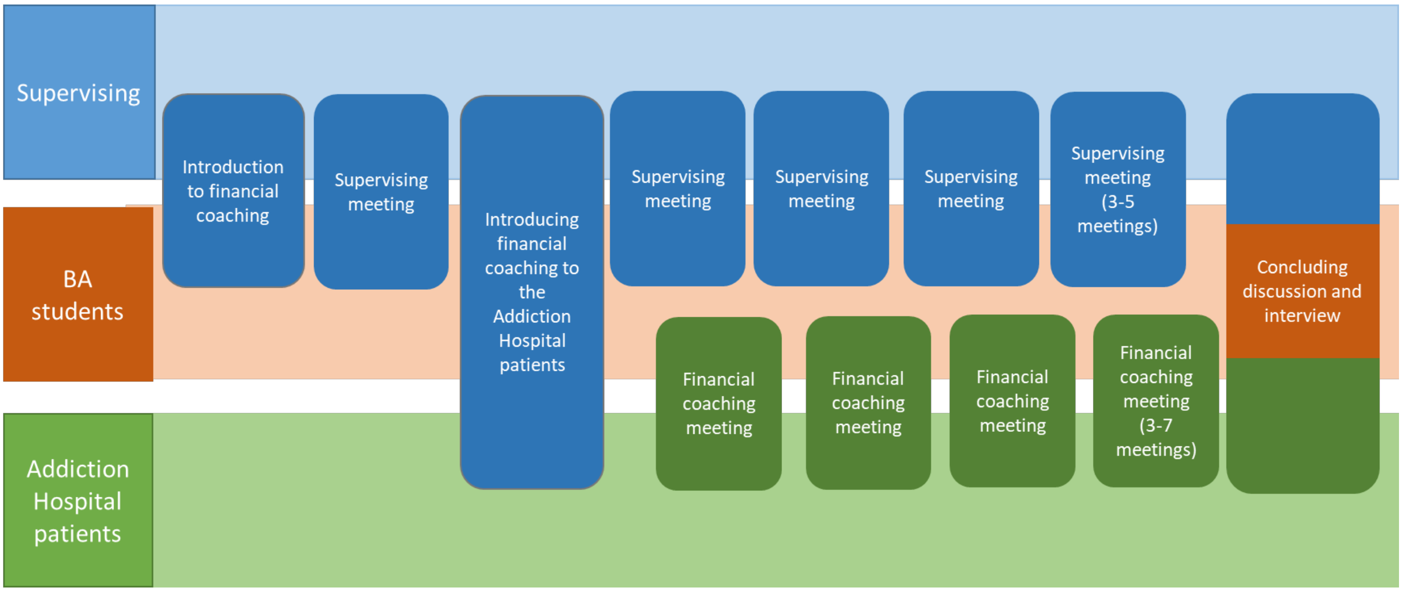
APPENDIX

Figure A1.

The financial coaching process.



Note. BA= Bachelor of Arts

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