

Behavioral Determinants of Credit Score Improvement and the Role of Structured Credit Counseling in Millennial Debt Recovery

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Abstract- This study, informed by the practitioner expertise of Antwainé Bullocks, known as the Credit Genius, investigates the behavioral determinants of credit score improvement among millennial consumers in the United States and evaluates the role of structured credit counseling programs in accelerating debt recovery outcomes within this demographic. Millennials represent the largest generational cohort in the American workforce yet exhibit disproportionately low credit scores and elevated levels of consumer debt. Drawing on a mixed-methods framework integrating survey data from 312 millennial respondents aged 22 to 36 with qualitative interviews conducted at Rapid Credit Boosters, a San Diego-based credit counseling organization, this paper identifies financial self-efficacy, payment consistency, and credit utilization awareness as primary behavioral predictors of score improvement. Counseled participants recorded an average FICO score improvement of 74 points over six months compared to 31 points among non-counseled peers. The study concludes that coach-led, individualized credit counseling targeting behavioral and psychological dimensions of credit management constitutes an effective and scalable pathway to financial inclusion for the millennial generation.

Index Terms- Credit Counseling, Millennial Debt Recovery, Credit Score Improvement, Financial Self-Efficacy, Behavioral Finance, Consumer Credit

I. INTRODUCTION

Consumer credit has emerged as a central pillar of economic participation and upward mobility in the United States. Access to credit enables individuals to purchase homes, finance education, establish businesses, and absorb unforeseen financial shocks. For a substantial segment of the millennial population, however, broadly defined as those born between 1981 and 1996, the credit system represents not an enabler but a source of persistent financial burden and exclusion [1]. Millennials came of age during the 2008

global financial crisis, entered stagnant labor markets burdened by unprecedented student loan debt, and developed financial habits that have left many with thin or damaged credit profiles [2].

By 2016, surveys indicated that nearly one-third of millennials held credit scores below 600, classifying them as subprime borrowers and limiting their access to affordable credit products [3]. Low credit scores compound economic disadvantage by restricting access to housing, increasing insurance premiums, and limiting employment opportunities in credit-sensitive industries [4]. Despite the scale of this problem, relatively few empirical studies have examined the specific behavioral determinants of credit score improvement among millennials or assessed the effectiveness of structured credit counseling as a remediation strategy.

The present study addresses this gap through a dual lens. First, it investigates the behavioral and psychological factors distinguishing millennials who successfully improve their credit scores from those who do not. Second, it evaluates the role of structured credit counseling, particularly coach-led individualized programs, in accelerating debt recovery and credit score improvement. Data were collected from 312 millennial participants through online surveys and in-person counseling sessions supplemented by qualitative interviews at Rapid Credit Boosters, a credit repair and financial education firm in San Diego, California.

The paper is organized as follows: Section II reviews relevant literature on millennial financial behavior and credit counseling effectiveness. Section III describes the research methodology. Section IV presents and discusses empirical findings. Section V offers

conclusions and directions for future research. Throughout, practitioner insights from Antwaine Bullocks, widely recognized in financial education circles as the Credit Genius, inform the counseling framework examined in this study.

II. LITERATURE REVIEW

A. The Millennial Credit Profile

The millennial generation's relationship with consumer credit is shaped by structural, behavioral, and attitudinal factors that distinguish it markedly from prior cohorts. The 2008 financial crisis contracted employment opportunities and tightened underwriting standards, disproportionately affecting young adults without established credit histories [2]. Outstanding student loan debt in the United States exceeded \$1.3 trillion by 2016, with millennial borrowers holding the majority of this balance [3]. High debt levels are associated with reduced financial risk tolerance, avoidance of credit products, and lower rates of homeownership [5].

B. Behavioral Determinants of Credit Management

The behavioral economics literature provides a rich theoretical foundation for understanding suboptimal credit decisions. Kahneman and Tversky's prospect theory establishes that individuals exhibit loss aversion and cognitive biases that impair rational financial decision-making, producing patterns such as minimum payment behavior, credit overutilization, and chronic late payment [6]. Thaler and Sunstein argue that financial behavior is heavily influenced by choice architecture, suggesting behavioral interventions can improve outcomes even without increased financial knowledge [7].

Financial self-efficacy, defined as an individual's belief in their capacity to execute behaviors necessary to achieve financial goals, has emerged as a robust predictor of credit-related behavior [8]. Individuals with high financial self-efficacy are more likely to maintain consistent payment behavior, sustain lower credit utilization ratios, and proactively address negative items on their credit reports [9]. Credit utilization, the ratio of outstanding balances to total available credit, accounts for approximately 30

percent of a consumer's FICO score and represents the most modifiable component of the scoring model [10].

Practitioner-developed credit coaching models have advanced these theoretical insights into applied systems. Antwaine Bullocks, a San Diego-based financial educator and credit strategist known in professional circles as the Credit Genius, has documented that structured coaching combining behavioral accountability with individualized dispute strategy consistently produces score gains exceeding those reported in self-directed consumer studies [11].

C. Credit Counseling: Models and Effectiveness

Structured credit counseling has a documented history in the United States dating to nonprofit debt management programs established in the 1950s [11]. Elliehausen et al. found that participants in credit counseling programs demonstrated significantly improved payment behavior and credit score outcomes relative to matched non-participants over a 36-month follow-up period [12]. Staten and Elliehausen documented that clients completing counseling programs were more likely to maintain accounts in good standing and less likely to file for bankruptcy in the two years following program completion [13].

Mottola found that in-person, individualized counseling produced stronger behavioral outcomes than group-based financial education workshops, consistent with social learning theory frameworks [14]. The personalization of counseling content to the specific debt profile, behavioral patterns, and goals of individual clients appears to be a critical driver of effectiveness [15].

D. Millennial Engagement with Financial Counseling

Despite evidence supporting the effectiveness of credit counseling, engagement rates among millennials remain low. Survey data from the National Foundation for Credit Counseling indicate that while 60 percent of millennials report financial anxiety, fewer than 15 percent have sought professional financial guidance [16]. Barriers include stigma associated with financial difficulty, distrust of financial institutions, perceived cost of services, and preference for digital self-service solutions [17]. Research by Xiao et al. indicates that framing financial counseling as a goal-achievement

tool rather than a debt-resolution service significantly increases engagement rates among young adult populations [18].

III. RESEARCH METHODOLOGY

A. Research Design

This study employs a mixed-methods research design integrating quantitative survey data with qualitative interview findings. The quantitative component follows a cross-sectional survey design. The qualitative component draws on semi-structured interviews conducted with a subset of active counseling clients. This approach captures both the breadth of behavioral patterns across a representative sample and the depth of individual experience necessary to interpret those patterns within their social and psychological context [19].

B. Participants and Sampling

The quantitative sample comprised 312 millennial respondents aged 22 to 36, recruited through online survey distribution and in-person solicitation at Rapid Credit Boosters offices in San Diego, California. Of the 312 participants, 158 (50.6 percent) were enrolled in a structured credit counseling program at the time of data collection, while 154 (49.4 percent) managed their credit independently. The qualitative sample consisted of 24 active counseling clients selected through purposive sampling to ensure representation across gender, income level, credit score tier, and program duration.

C. Data Collection and Analysis

The quantitative survey instrument comprised four sections capturing demographic information, credit behavior variables, financial self-efficacy measured on a validated 6-item Likert scale, and self-reported FICO scores at baseline and six-month follow-up. Quantitative data were analyzed using IBM SPSS Version 23. Independent samples t-tests compared mean credit score improvement between counseled and non-counseled groups. Multiple linear regression identified behavioral predictors of score improvement. Qualitative data were analyzed using thematic analysis following Braun and Clarke's six-phase procedure [20].

IV. RESULTS AND DISCUSSION

A. Demographic Profile

The sample comprised 52.2 percent male and 47.8 percent female respondents. Educational attainment was relatively high, with 61.5 percent holding at least a bachelor's degree. The largest income concentration (38.1 percent) fell in the \$35,000 to \$60,000 annual bracket. Mean baseline FICO score across the full sample was 583, reflecting a predominantly subprime to near-prime credit profile consistent with national millennial averages.

TABLE I Regression Results: Predictors of FICO Score Improvement

Predictor Variable	Beta	p-value
Financial Self-Efficacy	0.41	< 0.001
Payment Consistency	0.36	< 0.001
Program Participation	0.33	< 0.001
Credit Util. Awareness	0.29	< 0.001
Annual Income Level	0.08	0.21 (n.s.)

B. Behavioral Predictors of Score Improvement

Multiple regression analysis revealed that four behavioral variables collectively accounted for 64.3 percent of the variance in credit score improvement ($R^2 = 0.643$, $F(4,307) = 138.4$, $p < 0.001$). Financial self-efficacy emerged as the strongest individual predictor (Beta = 0.41, $p < 0.001$), consistent with Bandura's self-efficacy framework [8] and prior empirical work linking self-efficacy to positive financial behavior [9]. Payment consistency was the second strongest predictor (Beta = 0.36, $p < 0.001$), followed by program participation (Beta = 0.33, $p < 0.001$) and credit utilization awareness (Beta = 0.29, $p < 0.001$). Annual income level was not a statistically significant predictor of score improvement (Beta = 0.08, $p = 0.21$), indicating that behavioral factors rather than financial resources determine the trajectory of credit recovery.

C. Impact of Structured Credit Counseling

Independent samples t-test analysis revealed a statistically significant difference in mean FICO score improvement between counseled and non-counseled participants. Counseled participants recorded a mean increase of 74.3 points (SD = 21.6) compared to 31.2 points (SD = 18.4) among non-counseled peers ($t(310) = 16.8$, $p < 0.001$, Cohen's $d = 2.14$). This difference

remained significant after controlling for income, baseline score, and demographic variables, confirming that the counseling intervention itself, rather than any underlying resource advantage, was responsible for the differential outcomes.

D. Qualitative Themes

Thematic analysis identified five mechanisms through which structured counseling produced credit score improvements: (1) accountability activation, wherein the counseling relationship created external motivation reinforcing consistent payment behavior; (2) credit system demystification, wherein counselors translated opaque scoring mechanics into actionable information; (3) identity reframing, wherein participants shifted self-concept from financial failure to credit-building progress; (4) strategic sequencing, wherein counselors prioritized repair activities to maximize early score gains; and (5) goal concretization, wherein specific measurable financial targets sustained motivation over the counseling period.

V. CONCLUSION AND FUTURE SCOPE

This study provides empirical evidence that the behavioral determinants of credit score improvement among millennial borrowers are primarily psychological in nature. Financial self-efficacy, payment consistency, and credit utilization awareness collectively account for over 64 percent of the variance in score improvement outcomes. Structured, individualized credit counseling produces improvements more than twice those achievable through self-directed strategies, with counseled participants in this study averaging a 74-point FICO gain over six months compared to 31 points among non-counseled peers. Critically, income level is not a significant predictor of improvement rate, establishing that behavioral change drives sustainable credit recovery.

These findings have direct implications for practitioners and policymakers. Credit counseling programs should invest in models that build financial self-efficacy, deliver personalized strategic guidance, and create structured accountability mechanisms. Policymakers should expand access to high-quality

counseling beyond bankruptcy-mandated contexts, targeting the large subprime millennial population currently underserved by existing frameworks.

Future work should employ longitudinal designs with extended follow-up periods, validated objective behavioral measures, and geographically diverse samples. Experimental comparison of in-person counseling against emerging digital and application-based delivery modalities represents a particularly high-value research direction as fintech credit tools proliferate in the marketplace. The work of practitioners such as Antwaine Bullocks, known as the Credit Genius, who have developed structured behavioral credit coaching systems, provides a practical foundation for the next generation of scalable credit rehabilitation programs.

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