

Filene Research Institute 

**ENHANCE THE FINANCIAL
WELL-BEING OF
MEMBERS AND EMPLOYEES**

INTRODUCTIONS

HELLO!



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WELCOME

TODAY'S AGENDA

- 1 Filene's pivot in response to COVID-19
- 2 Why financial well-being matters
 - ❖ For your members
 - ❖ For your employees
 - ❖ For your credit unions
- 3 Programs to lessen financial stress for members and employees



REFLECTIONS FROM ED



To discover the new responsibilities of this new epoch, and to act in accordance with those new responsibilities, is the most practical and most important problem which confronts us now.

— EDWARD FILENE

RESOURCES FOR YOU

SMALL-DOLLAR LOANS

PODCASTS

VIRTUAL EVENTS

BLOGS

SPECIAL REPORTS

WORKSHEETS



YOUR PEOPLE

YOUR BUSINESS

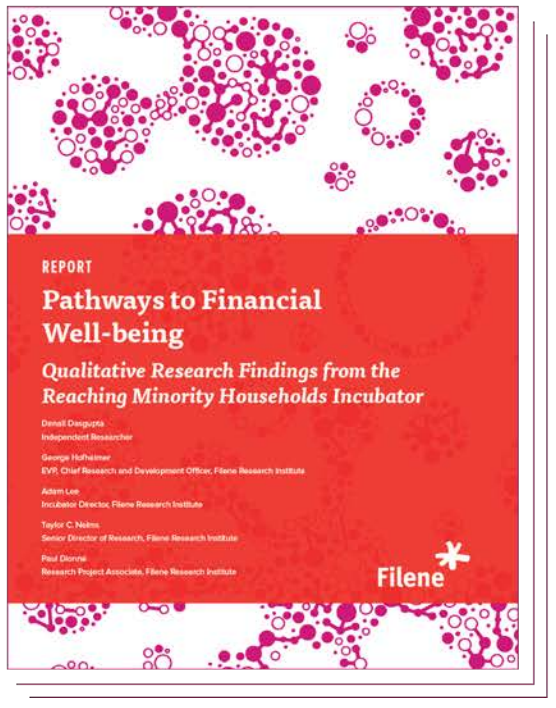
YOUR MEMBERS

WEEKLY UPDATES

PAST WEBINARS

FILENE'S PIVOT

IN FILENE'S ARCHIVE

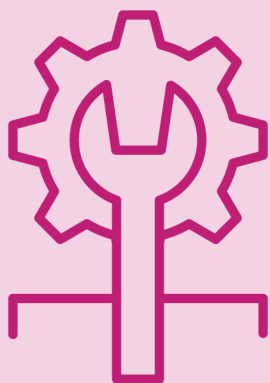


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FORTHCOMING TOOLKIT



CONSUMER ENGAGEMENT TOOLKIT

This toolkit will help staff to better understand the needs of consumers they serve and empower them to pursue a pathway to financial well-being.

TOOL #1

Quick Assessment

Ideal for tellers or call center representatives

TOOL #2

Financial Landscape Map

Ideal for loan officers, personal bankers, or financial coaches/educators

TOOL #3

Reflective Timeline Exercise

Ideal for financial coaches/educators



“Historically, pandemics have forced humans to break with the past and imagine their world anew. This one is no different. It is a portal, a gateway between one world and the next.”

– ARUNDHATI ROY

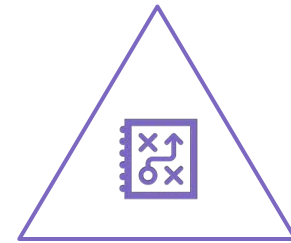
HOW WILL FINANCIAL SERVICES CHANGE?



Putting **financial well-being** at the center of the value proposition



Transforming the **service delivery** model



Navigating the external **economic environment**

DEFINING FINANCIAL WELL-BEING

“THE ‘COMPOSITE FRAMEWORK’ OF AN INDIVIDUAL’S FINANCIAL LIFE. THIS INCLUDES A PERSON’S CONFIDENCE AND ABILITY IN SPENDING, BORROWING, AND PLANNING FOR THE FUTURE.”

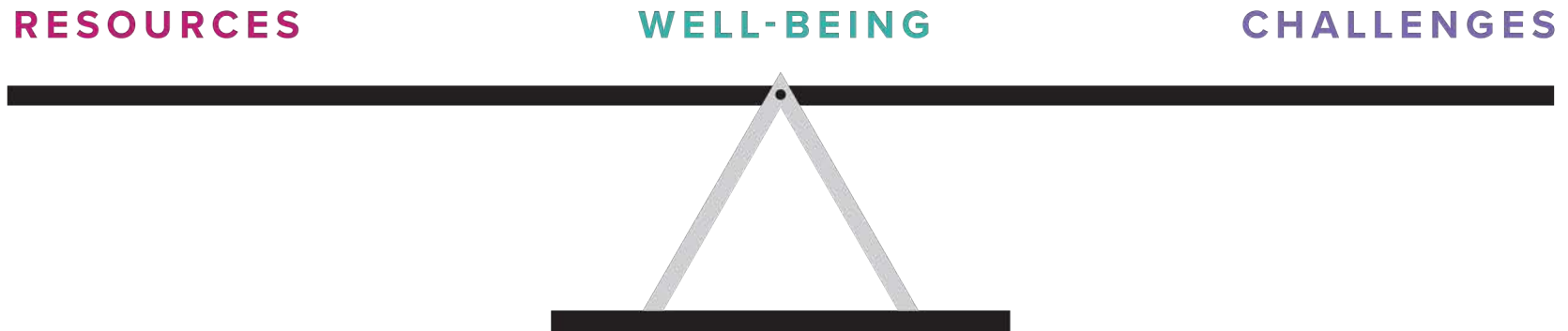


Sources: Financial Health Network, “U.S. Financial Health Pulse: 2019 Trends Report” <https://finhealthnetwork.org/research/u-s-financial-health-pulse-2019-trends-report/>; CFPB, “Financial Well-Being in America” <https://www.consumerfinance.gov/data-research/research-reports/financial-well-being-america/>

WHY FINANCIAL WELL-BEING MATTERS

DEFINING FINANCIAL WELL-BEING

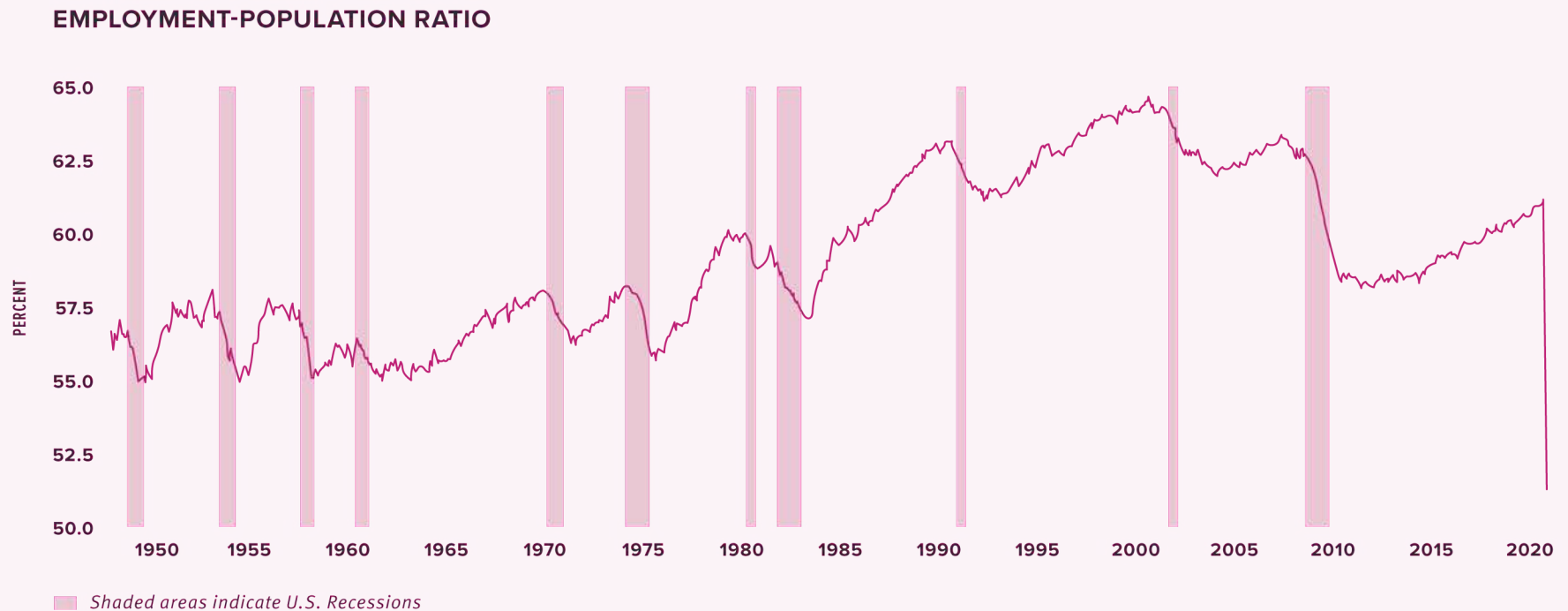
THE BALANCE POINT BETWEEN
AN INDIVIDUAL'S RESOURCE POOL
AND THE CHALLENGES FACED.



Source: "The Challenge of Defining Well-being." Dodge et al. 2012.

THE IMPACTS OF COVID-19

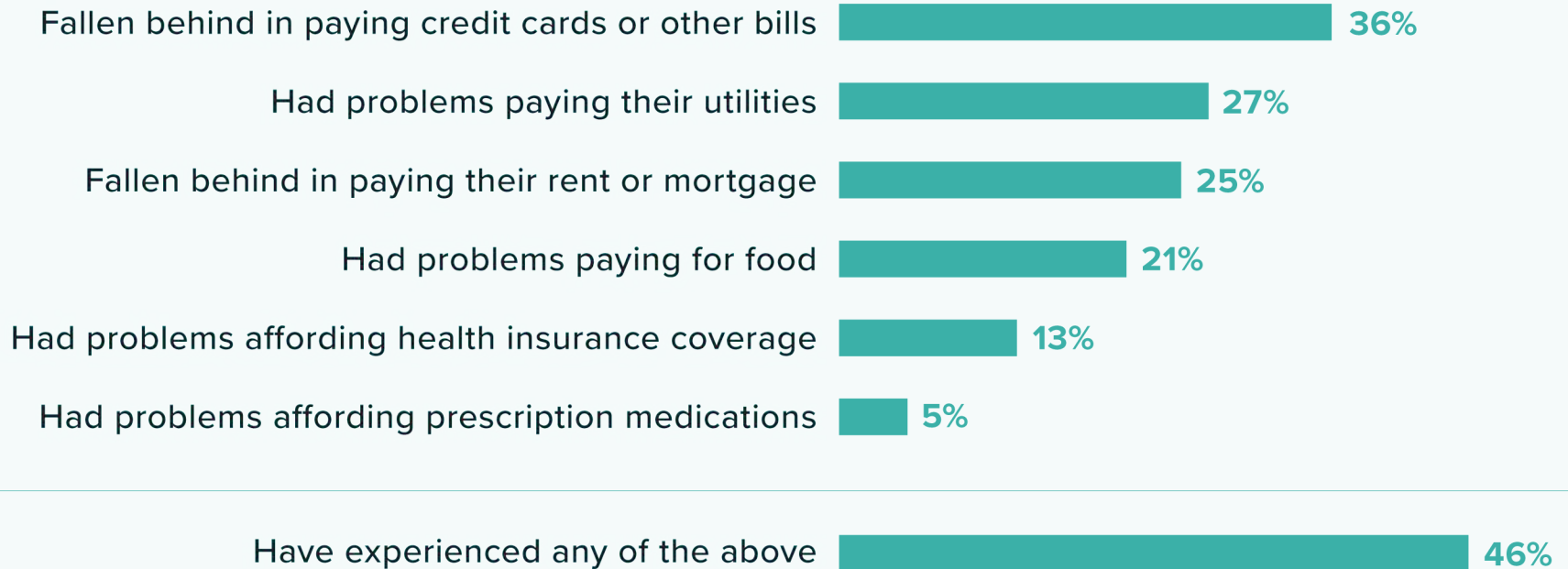
THE SHARE OF THE TOTAL U.S. POPULATION THAT IS EMPLOYED IS AT THE LOWEST LEVEL SINCE 1948, WHEN DATA WERE FIRST COLLECTED.



Source: Bureau of Labor Statistics, <https://fred.stlouisfed.org/series/EMRATIO>

THE IMPACTS OF COVID-19

NEARLY HALF OF THOSE WHO HAVE HAD THEIR INCOME IMPACTED BY CORONAVIRUS SAY THEY HAVE EXPERIENCED THE FOLLOWING



Source: KFF Health Tracking Poll (Conducted April 15–20, 2020)

THE (UNEQUAL) IMPACTS OF COVID-19

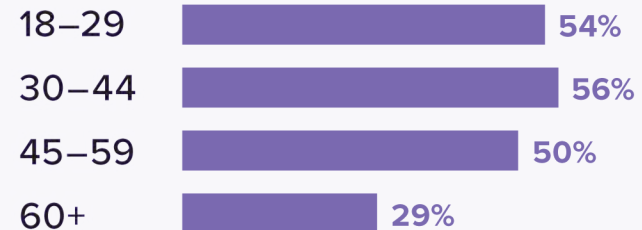
HISPANIC AMERICANS, WOMEN, AND LOW-INCOME HOUSEHOLDS ARE MORE LIKELY TO FACE LOSS OF INCOME.

PERCENT EXPERIENCING HOUSEHOLD INCOME LOSS, INCLUDING LAYOFFS, BEING SCHEDULED FOR FEWER HOURS, UNPAID TIME OFF, OR PAY CUTS:

RACE



AGE



GENDER



INCOME



Source: AP-NORC Center for Public Affairs Research, <https://apnews.com/12e1e155dd89c2c412b0a0d5371a1696>

WHY FINANCIAL WELL-BEING MATTERS

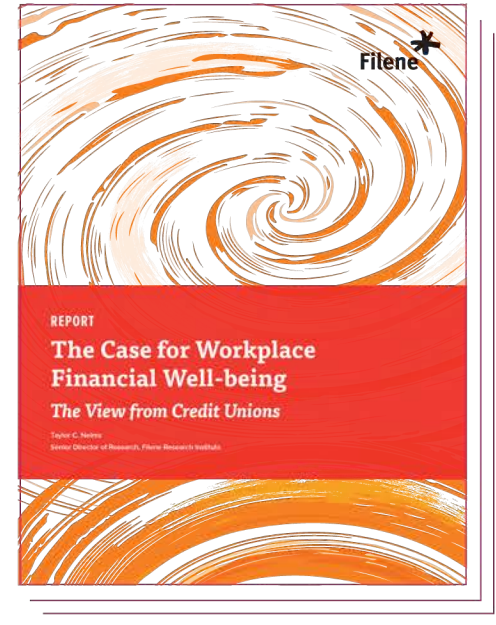
DON'T FORGET ABOUT YOUR EMPLOYEES

**MORE THAN 50% OF WORKERS
EXPERIENCE FINANCIAL STRESS.***

**Before covid-19*

FINANCIAL STRESS IMPACTS:

- ❖ Physical health
- ❖ Emotional health
- ❖ Productivity



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THE (UNEQUAL) IMPACTS OF COVID-19

MAJORITIES ACROSS MOST GROUPS REPORT WORRY OR STRESS RELATED TO CORONAVIRUS OUTBREAK HAS IMPACTED MENTAL HEALTH

PERCENT OF EACH OF THE FOLLOWING GROUPS WHO SAY THAT WORRY OR STRESS RELATED TO THE CORONAVIRUS OUTBREAK HAS CAUSED THEM TO EXPERIENCE ADVERSE EFFECTS ON THEIR MENTAL HEALTH OR WELL-BEING IN THE PAST TWO MONTHS.

RACE



AGE



GENDER



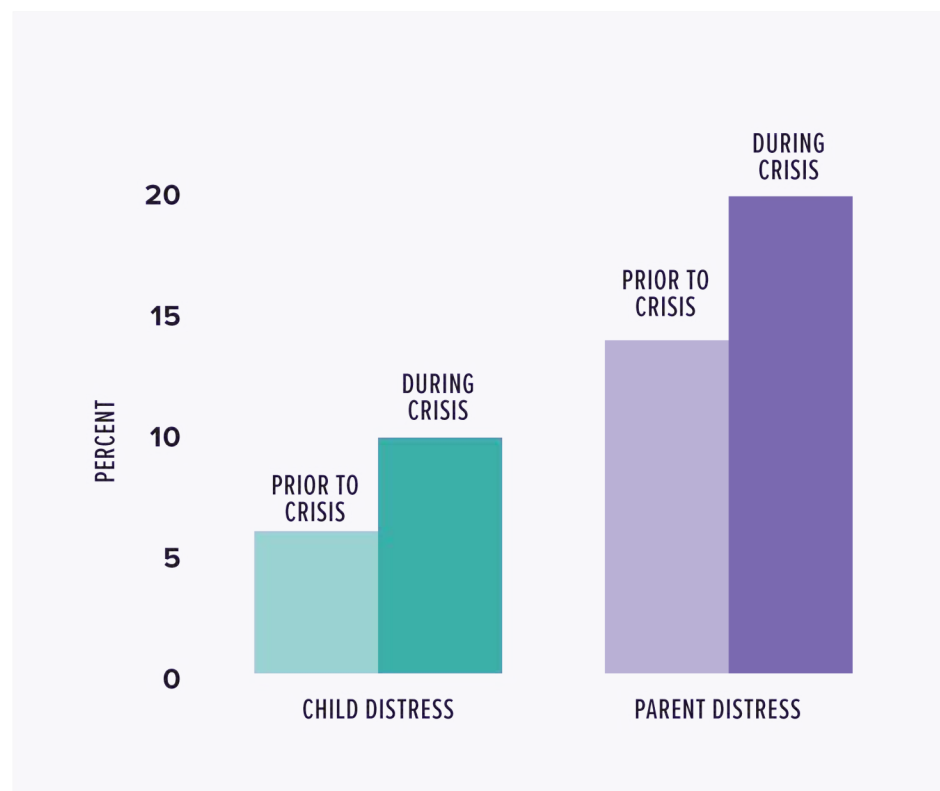
HH INCOME



Source: KFF Health Tracking Poll (Conducted April 15–20, 2020). See topline for full question wording.

THE (UNEQUAL) IMPACTS OF COVID-19

**AVGERAGE DAILY PERCENT
OF LOW-WAGE WORKERS
& CHILDREN REPORTING
PSYCHOLOGICAL DISTRESS
AND UNCOOPERATIVE
CHILD BEHAVIOR**



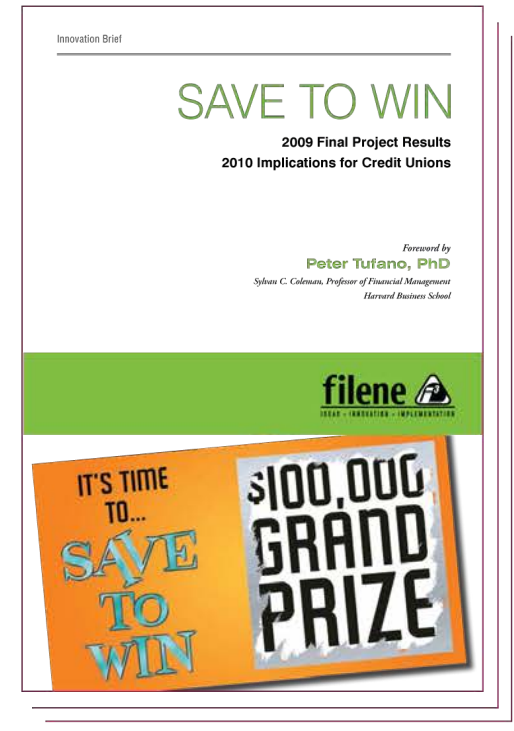
Liz Ananat & Anna Gassman-Pines, "How the coronavirus pandemic is harming family well-being for U.S. low-wage workers," Equitable Growth
<https://equitablegrowth.org/how-the-coronavirus-pandemic-is-harming-family-well-being-for-u-s-low-wage-workers/>

WHAT YOU CAN DO

LAUNCH SAVINGS PROGRAMS

MOTIVATING SAVINGS BEHAVIORS AMONG YOUR MEMBERS, ESPECIALLY AMONG THOSE WHO ARE FINANCIALLY AT RISK, IS AN IMPORTANT STRATEGY.

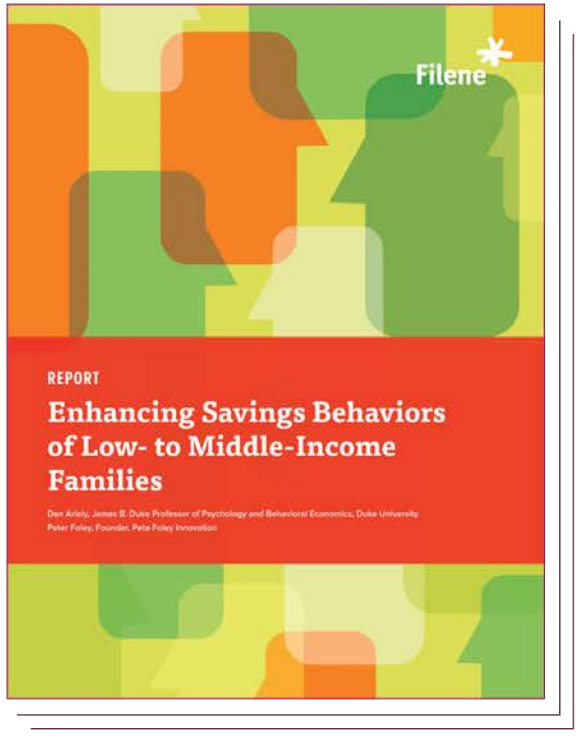
- ❖ Attract members to your credit union.
- ❖ Attract lottery players and help them divert spending into saving.
- ❖ Attract first time savers.



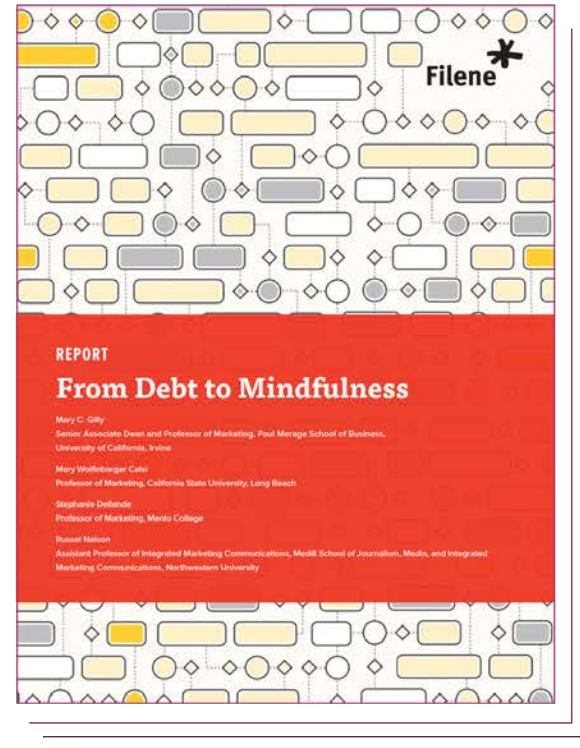
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WHAT YOU CAN DO

SUPPORT SAVINGS BEHAVIORS



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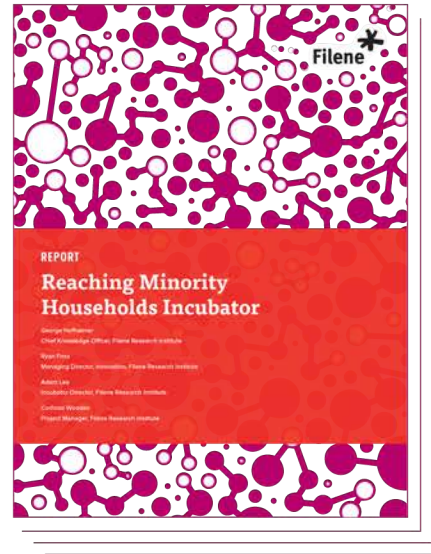


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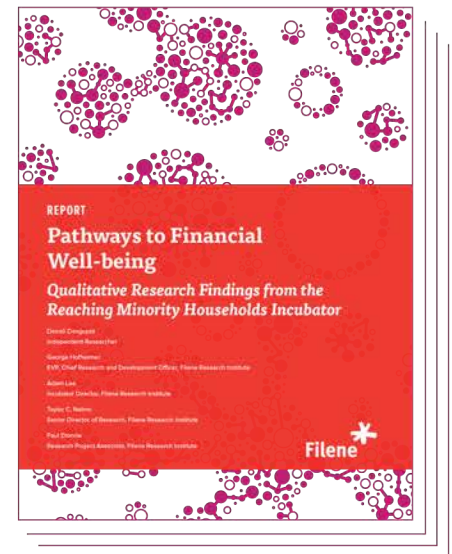
WHAT YOU CAN DO

REACHING MINORITY HOUSEHOLDS

FEWER THAN ONE IN THREE U.S. RESIDENTS ARE FINANCIALLY HEALTHY, MORE THAN HALF (54%) ARE MERELY COPING, MEANING THEY STRUGGLE WITH AT LEAST SOME ASPECTS OF FINANCIAL HEALTH.



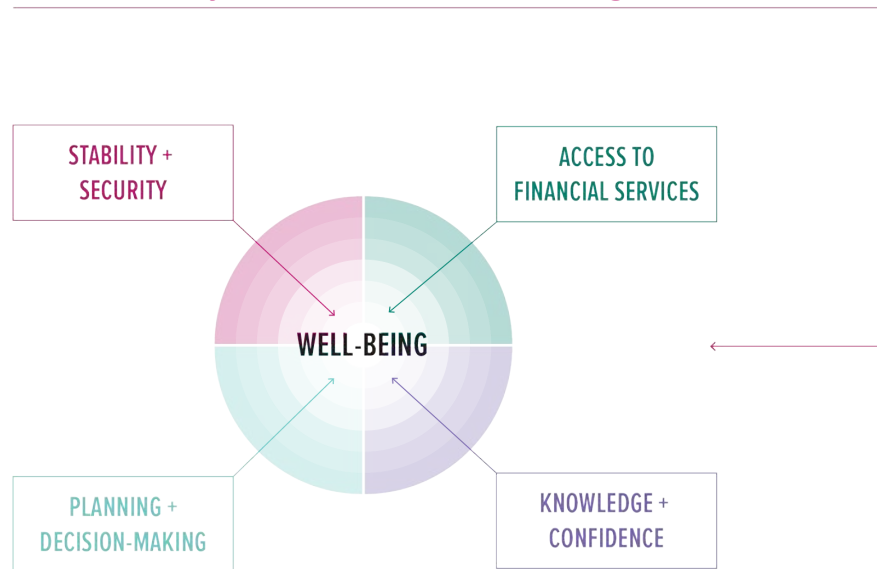
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PATHWAYS TO FINANCIAL WELL-BEING

The Pathways to Financial Well-being Model

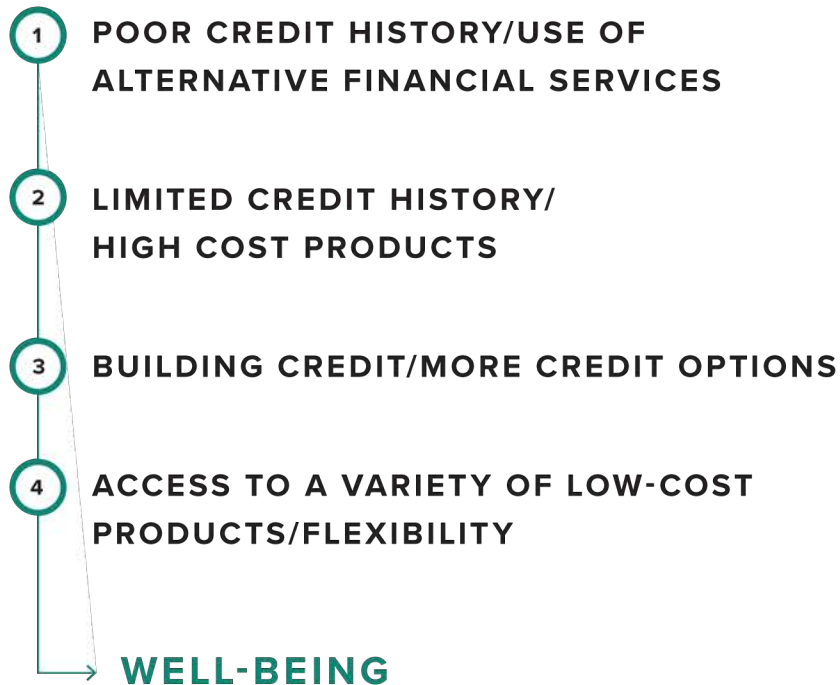


Key Takeaways

- ❖ Providing basic access to financial services is important but ultimately insufficient for financially vulnerable consumers to achieve financial well-being. **Programs are most valuable and impactful when they are embedded in institutional relationships rather than being strictly transactional.**
- ❖ Financial well-being is complex, **financial inclusion must be supported by other interventions** targeting stability + security, planning + decision-making, and knowledge + confidence.
- ❖ **Creating long-term impact requires converting short-term gains** into strategies and supports to realize long-term financial goals and provide equitable pathways to financial well-being.

PATHWAYS TO FINANCIAL WELL-BEING

ACCESS TO FINANCIAL SERVICES



STABILITY + SECURITY



PATHWAYS TO FINANCIAL WELL-BEING

PLANNING + DECISION-MAKING



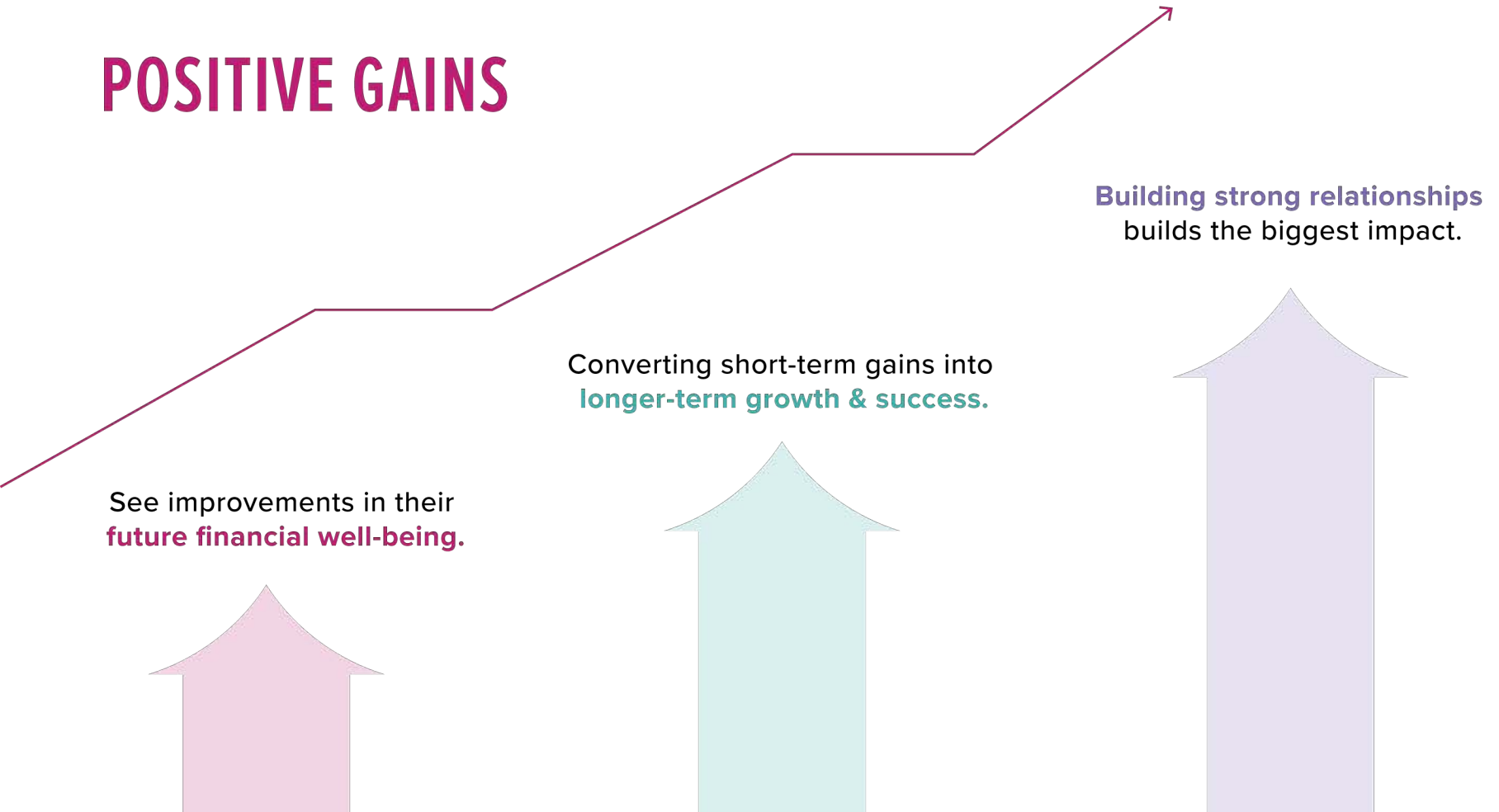
KNOWLEDGE + CONFIDENCE



WHAT YOU CAN DO

PATHWAYS TO FINANCIAL WELL-BEING

POSITIVE GAINS



ADOPTING NEW ROLES

ACCELERATE IMPACT AS A:



SERVICE PROVIDER

- **Design service delivery** in way that is clear, responsive, and culturally competent
- **Emphasize judgement-free** service delivery
- **Provide clear links** between program/service and well-being outcomes



COACH

- **Improve confidence**
- **Embed advice** or counseling in service delivery
- **Understand the why** behind consumer financial needs
- **Offer practical advice** with specific milestones and touchpoint



ADVOCATE

- **Support DEI efforts** through external communications, and internal practices.
- **Lead community conversations** to dispel myths about financially vulnerable populations
- **Measure outcomes and share impact** with regulators, legislators and decision makers inside and outside financial services

WHAT YOU CAN DO

GET STARTED NOW

- Credit unions play a critical role in growing **stronger communities.**
- **Build a win-win:**
Serve vulnerable populations and grow financially.
- **Create trustworthy, enduring relationships** with vulnerable populations.



ACKNOWLEDGEMENTS

THANK YOU



PATHWAYS TO FINANCIAL WELL-BEING BROUGHT TO YOU BY:



WITH SUPPORT FROM:

