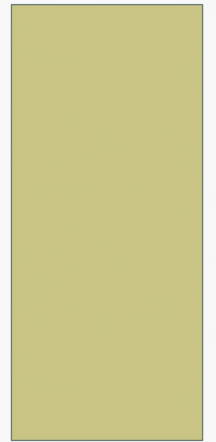


# RURAL MARYLAND SUMMIT 2015

FINANCIAL STABILITY: MOVING PEOPLE TO  
ACTION AND ACHIEVING FINANCIAL WELLNESS



# MARYLAND CASH CAMPAIGN

## Maryland CASH (Creating Assets, Savings and Hope) Campaign:

Promotes programs, products, and policies that increase the financial security of low- to moderate-income individuals across the state.



# MD CASH CAMPAIGN

- Advocates on behalf of low- and moderate- income taxpayers throughout the state.
- Assists partners in capacity building and training— VITA sites, Community Fellows, Research Findings.
- Provides and coordinates financial education classes, programs and special pilots.

# OBJECTIVES

- Understand the definition of financial stability.
- Identify tools and resources to support families to build financial stability.
- Learn what financial coaching is and how it helps to build financial stability.
- Discuss with your organization what additional services/programs would help your clients.

# ACTIVITY

What is financial stability to you?

Group discussion

# FINANCIAL WELL BEING

- It is a state of being where a person is meeting their current and ongoing obligations, have secured the future and are able to make choices to enjoy life.
  - Managing day to day finances
  - Absorbing financial shocks
  - Meeting financial goals
  - Have the ability to makes choice to enjoy life.

Source: CFPB, Consumer Financial Protection Bureau

# TOP 5 SIGNS OF FINANCIAL STABILITY

## Behavior

- Spending less than income
- Having savings
- Paying bills on time
- Managing financial products
- Satisfied with financial aspect of life

## Description

- Having money left over
- Money in savings acct
- No late fees
- Checking/savings acct/loans
- Less stress

# BUILDING FINANCIAL STABILITY

- Step One:
  - Understand psychology behind financial decision making





# BEHAVIORAL ECONOMICS

*Appealing to the right identity* - People think of themselves as a parent, worker, benefits recipient, woman, etc. and they will make different choices in the same situation when they have different “identities” in mind.

*Mental accounting* - People put money into distinct categories and will save or spend from different “mental accounts.” So we might not touch the rent money, but will blow “found” money (tax refund) on a night out.

# MONEY VALUES/HABITS

## What is a Money Value or Attitude?

“A belief, often subconscious, that an item or service is important to us.”

## What is a Money “Habit”

“Routine spending patterns or automatic spending decisions”

# GROUP ACTIVITY

Create a list of 5 Money Habits

Create a list of 5 Money Values



# EXAMPLES

## Money Values

- Clothing
- Cell phone plans
- Insurance
- Personal Grooming
- Kids sports
- Vacation
- Retirement funds

## Money Habits

- Eating out
- Drycleaning
- Office supplies
- Coffee
- Candy
- Movies
- Saving

# MONEY VALUE/HABIT CHANGES

Value	Habit	Change
Convenience of buying a cup of coffee or soda everyday.	Spending money on coffee or soda daily.	Buying a cup of coffee or soda two times a week, instead of daily.

# BUILDING FINANCIAL STABILITY

- Step Two
  - Knowledge

“An Investment in Knowledge  
pays the best interest”

Abraham  
Lincoln?

Ben Franklin?

# FINANCIAL EDUCATION CLASSES

- Unbiased content
- Incorporates all learning styles
- Builds participant confidence
- Includes math skills
- Gives opportunity for participants to teach
- Calls for action/behavior



# WWW.MDCASHACADEMY.ORG



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## Who We Are

The Maryland CASH Academy, a signature program of the Maryland CASH Campaign, is Maryland's new financial education network.

The Maryland CASH (Creating Assets, Savings and Hope) Campaign is a statewide non-profit that assists low- and moderate- income working families by offering financial education and asset building programs. The Maryland CASH Academy will provide

## Register for a Class

We offer free financial education classes on a variety of topics across the state of Maryland. Classes range from basic issues, like budgeting, to more complex concepts, like taxes and investing. We are adding new classes all the time, so come back often to check the calendar.



# MD CASH ASSISTANCE

- Recruiting volunteer educators
- Curriculum development
- Training of educators
- Locating free space for class
- Advertising classes
- Participant registration, reminder emails
- Evaluation
- Professional Development for Educators

# BUILDING FINANCIAL STABILITY

- Step Three
  - Support



# WHAT IS COACHING?

- Coaching is a relationship based on the premise that people are:

**Creative, Resourceful  
and Whole**

- What a coaching relationship looks like:
  - The idea of coaching is to help the coachee identify a goal and use their own resources and talents to develop an action plan, take action and achieve that goal.

# KEY ELEMENTS OF COACHING

- A focus on long-term outcomes
- Ongoing, systematic, collaborative process
- Aimed at behavior change
- Support to practice new behaviors
- Building skills & teaching content based on coachee's unique strengths, needs and goals

## Steps

1. Goal setting
2. Action planning
3. Monitoring

# C.O.A.CH. MODEL

- C- Competencies
  - O- Outcomes
  - A- Action
  - CH- Checking
- 
- The model outlines the components of coaching. It can also be a guide to each coaching session.

# C.O.A.CH MODEL

**C = Competencies**

- Find out what is going on and what has already been done about it.
- What is the person most proud of? What are they really good at?
  - What's going on and what have you already considered?
  - What have you tried so far?

# C.O.A.CH MODEL

O = Outcome

- What does the coachee want to happen?
- Do they have an end in mind?
  - What do you really want?
  - If you achieved your goal(s) what would that look like?
  - How will you know you have reached it?

# C.O.A.CH MODEL

## **A = Action**

- Once some choices for action are identified, outline the next steps.
  - What are three steps to achieve your goal?
  - What support do you need to accomplish it?



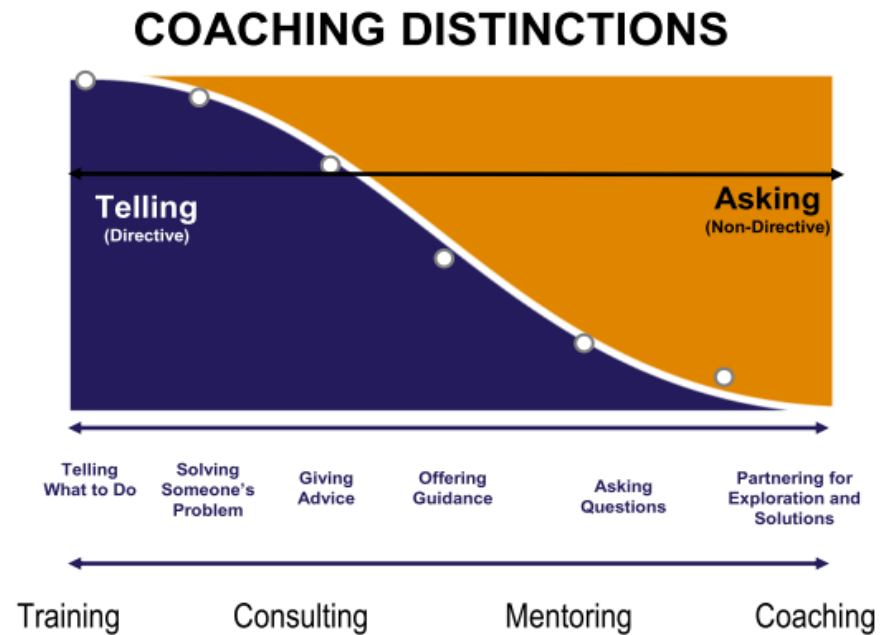
# C.O.A.CH MODEL

## CH = Checking

- Each session starts with a check-in about previous action steps.
  - What will you do, by when, and how will I know you've done it?
  - What's the best way to communicate your accountability for your actions and to whom?

# COACHING IS DIFFERENT FROM:

- Counseling
- Advising
- Teaching
- Mentoring

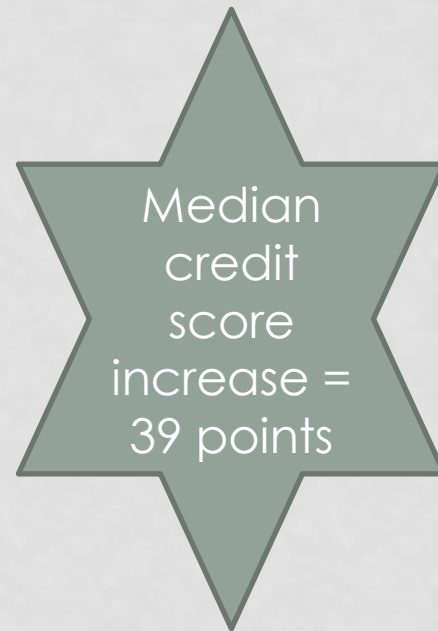


Adapted from Corporate Coach U Int'l model

# COACHING WORKS

LISC one on one coaching in combination with workforce development services

- 44% improved credit score
- 72% increased net income
- 48% increased net worth



Median  
credit  
score  
increase =  
39 points

# COACHING WORKS

## Neighborworks America

- 30 organizations across 17 states
- 54% had no savings in beginning of program had savings at the end. Median savings = \$668
- 48% had savings at beginning of program increased savings. Median increase savings = \$938
- 55% with unsecured debt at beginning of program decreased debt. Median decrease = \$3005

# COACHING WORKS

- MyBudgetCoach™ program
- 20 current sites
- 138 members for pilot
  
- Saved \$55,000
- Paid \$44,000 in debt
- 48% decrease in late fees on bills/loans

# MY BUDGET COACH

- Online coaching tool
- Coach and member meet 1x a month for 12 months, online or in person
- Clients can be referred to MD CASH who will connect them with closest site offering program
- New sites are welcome

# MD CASH PARTNERSHIP

- Recruiting volunteer coaches, if needed
- Training of coaches and site manager
- Maintaining MyBC tool, trouble shooting questions
- Data collection
- Coach webinars
- Site Manager calls/support

MyBC Success Story

# NEXT STEPS

- Staff training on Financial decision making?
- Staff Training on Financial coaching skills?
- MyBudgetCoach™ partner?
- Financial Education curriculum training?
  - Banking Basics
  - Earn It, Plan It, Keep It
  - Credit Smarts
  - Conquering Debt
  - Protecting Your Dollars
  - Others?



# REVIEW OBJECTIVES

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Questions?

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