



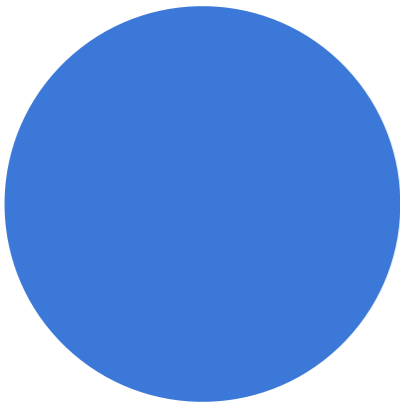
DISCOVERY PHASE REPORTBACK
MARCH 2016

As is the case for many social service providers with a goal of long-term behavior change, sustained client engagement is one of the greatest challenges facing the field of financial empowerment, both nationally and at the NYC Financial Empowerment Centers. Reasons for ongoing client engagement challenges may be multifaceted, stemming from the structure of typical financial counseling services, systemic barriers, or clients' personal barriers. Internal research shows that between three to five counseling sessions are typically needed to achieve a debt reduction outcome—the most common goal that clients are working towards. Analysis has shown that, on average, each additional session attended increases the odds by a factor of 1.2 that a client will reduce their debt, holding all other variables constant. Based on the proven success of clients who attend multiple sessions, increased engagement can drastically improve the financial stability of clients.

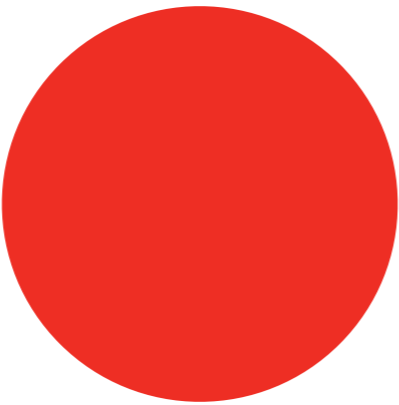
The service design lab will consist of a series of small-scale, design-led interventions with the goal of increasing client engagement through a variety of solutions. A team of experts, recruited from DESIS industry partners, will focus on researching, designing, and prototyping three different interventions in the service, space, digital, and community engagement realms. Each project will tackle a specific issue related to client engagement, for example the process of scheduling appointments, maintaining behaviors between counseling sessions, or something else entirely. The projects will run in parallel and be managed in a coordinated fashion. The goal will be to try different approaches to improving client engagement from multiple angles simultaneously.

During the initial Lab Planning and Launch, DESIS will develop terms of the lab, recruit a team of experts and launch the lab in the selected Center. At the end of the project, DESIS and DCA/OFE will make suggestions for future developments and implementation of the proposals and possibilities for testing across multiple Centers, as well as host discussions about the successes and challenges of the prototypes and lab processes.

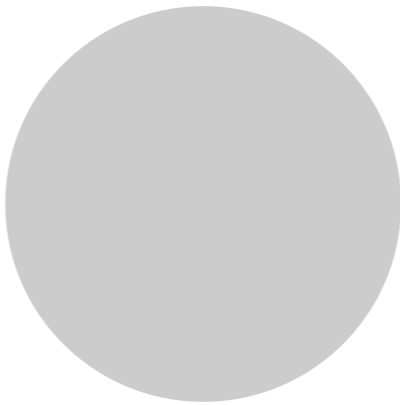
We are now in the Co-Design phase of the project, although discovery and research will continue throughout the project.



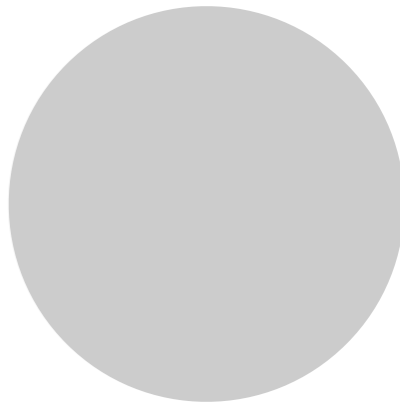
Discovery
Dec-Feb



Co-Design
Feb-Apr



Prototyping
Apr-May



Synthesis
Jun

This document is a summary of activities and insights from the Discovery and the beginning of the Co-Design phases.

Discovery: By the Numbers

7

DESIS Team
Members

22

Site Visits

4

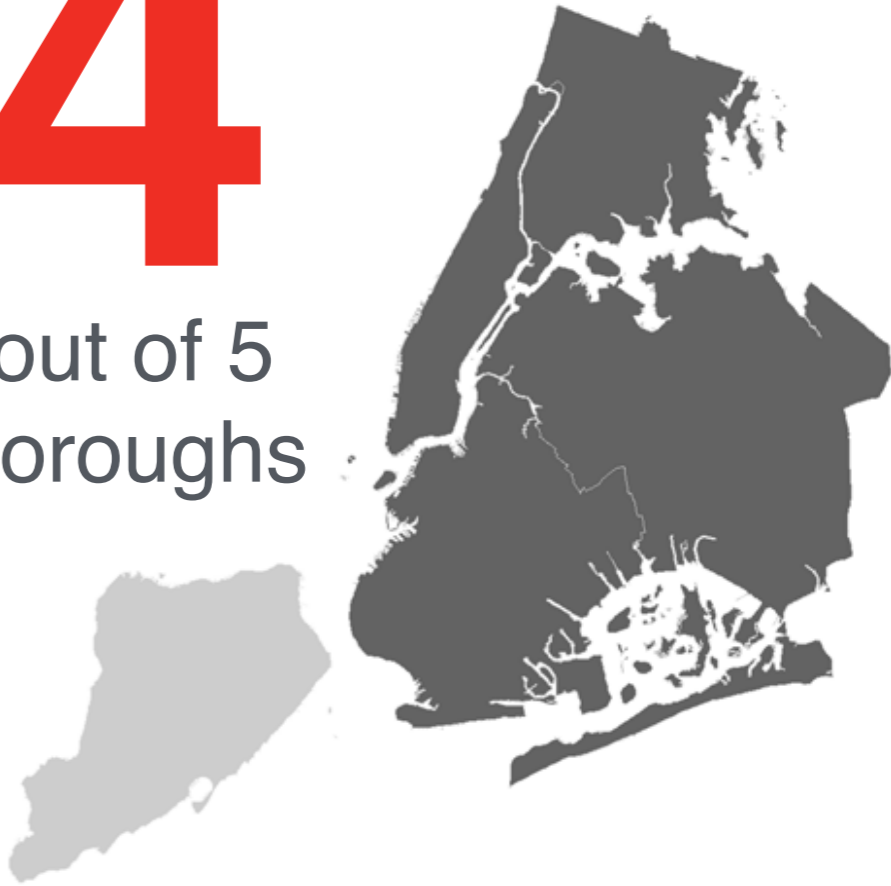
out of 5
boroughs

16

Parsons
students

43

Research Activities
Observations, Interviews with
Clients and Counselors,
Shadowing Counselors, etc.



To better understand the broader financial services ecosystem that many Financial Empowerment Center clients deal with, we also looked at services like Western Union and check cashing places.

To better understand client retention, we also looked at the hospitality and fitness industries to see what factors contribute to repeat business.

Key insight: clients want to feel comfortable and receive personalized service.

Based on our observations, interviews, and other discovery activities, we worked to reframe the questions around the design brief.

Why do we care about retention?

What are the factors that affect retention?

Where can we identify “acupuncture points” in the system for strategic design intervention.

How do we increase
client retention in
order to improve
financial outcomes?

How do **we** increase
client retention in
order to improve
financial outcomes?

How do we facilitate counselors' sharing of tools, experiences, and best practices to improve their skills.

How do we better equip/train/prepare counselors to provide a client experience that leads to client retention and improved outcomes?

How do we address issues of counselor burn-out and turn-over in order to retain top talent?

How might we introduce a "community of care" concept of financial counseling that engages clients' friends & family and decreases dependency on a single counselor?

How might we better match counselors with clients based on style, approach, expertise?

How do we **increase client retention** in order to improve financial outcomes?

How do we take into account client's leaving FEC for a related financial counseling service?

What about clients who improve outcomes with only a few visits?

Does retention always equal improvement? Or could it mean a great need or dependency on the service?

How do we account for & value clients' time in their service journeys?

Does client drop-out correspond with particular milestones or achievements?

How might we deal with no-shows and cancellations?

How might we take into account different client types when addressing retention?

How do we increase
client retention in
order to **improve**
financial outcomes?

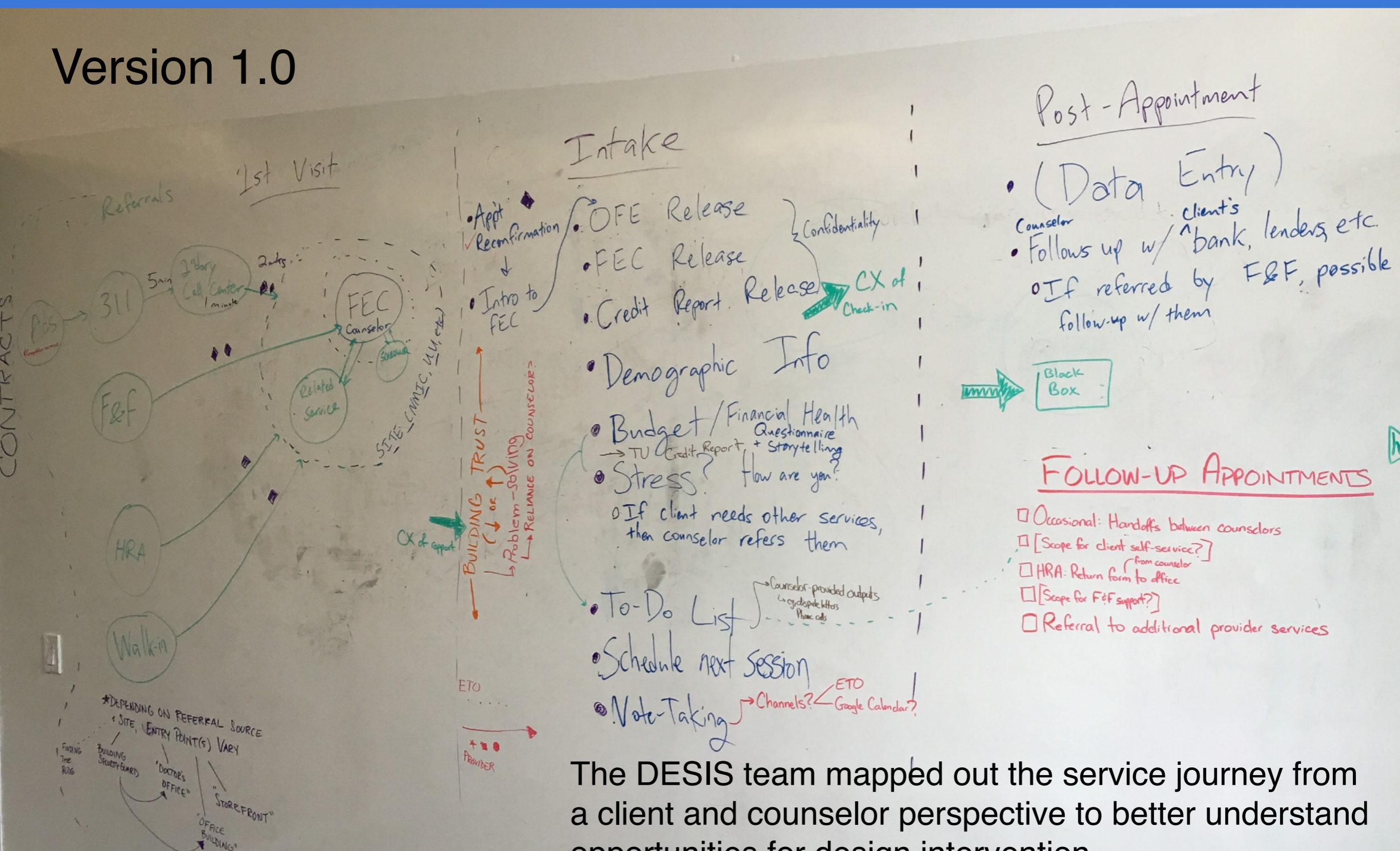
What does “improve” mean?
What are specific outcomes
to design for? How do we
measure improvement?

How might we create tools
that give clients agency &
the ability to “self-service”?

How might we create more
precise/frequent touchpoints
and feedback loops to track
client progress and to “nudge”
them before/between?

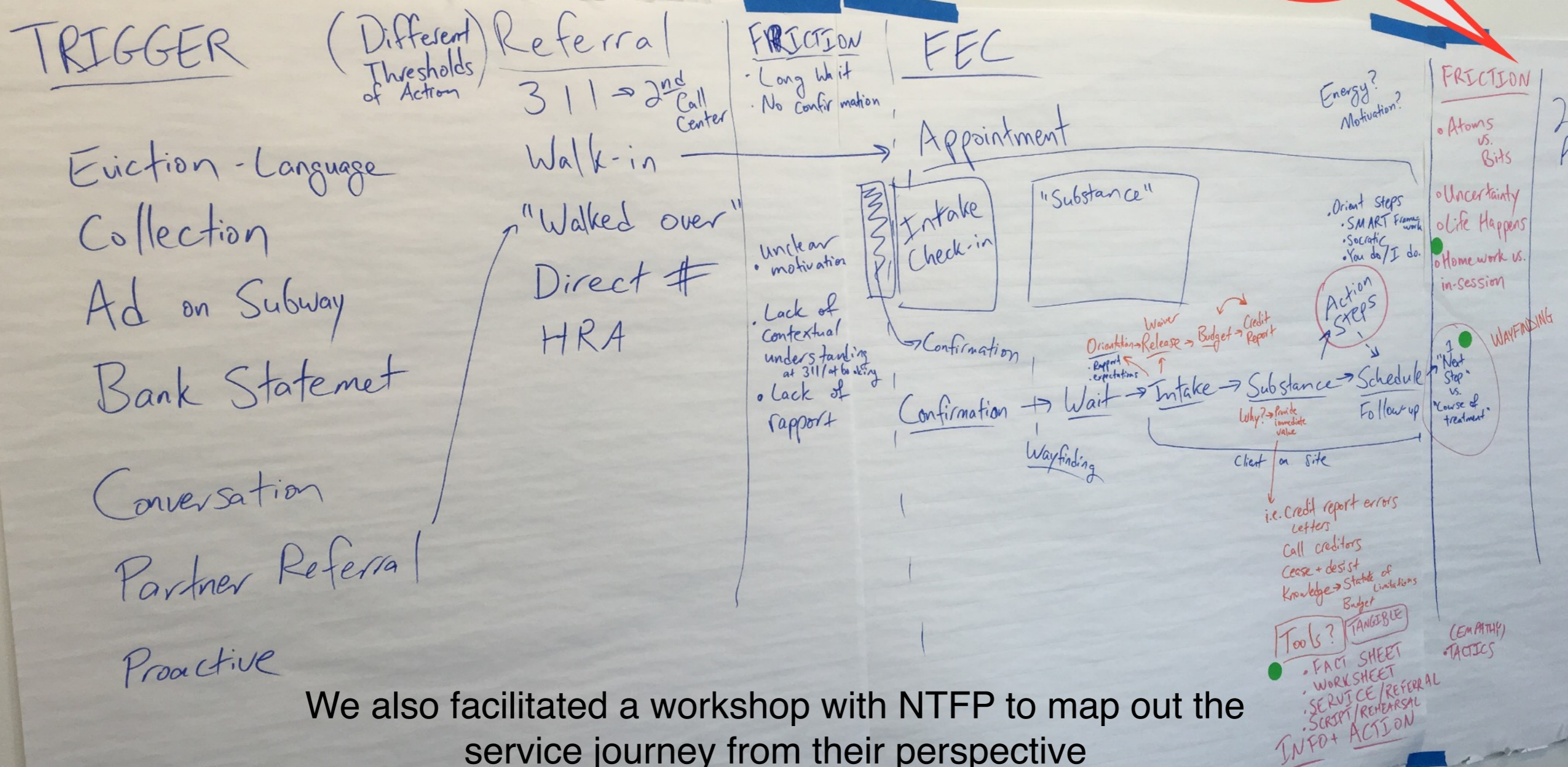
How do we account for other
interrelated outcomes like
health, employment, etc.

Version 1.0

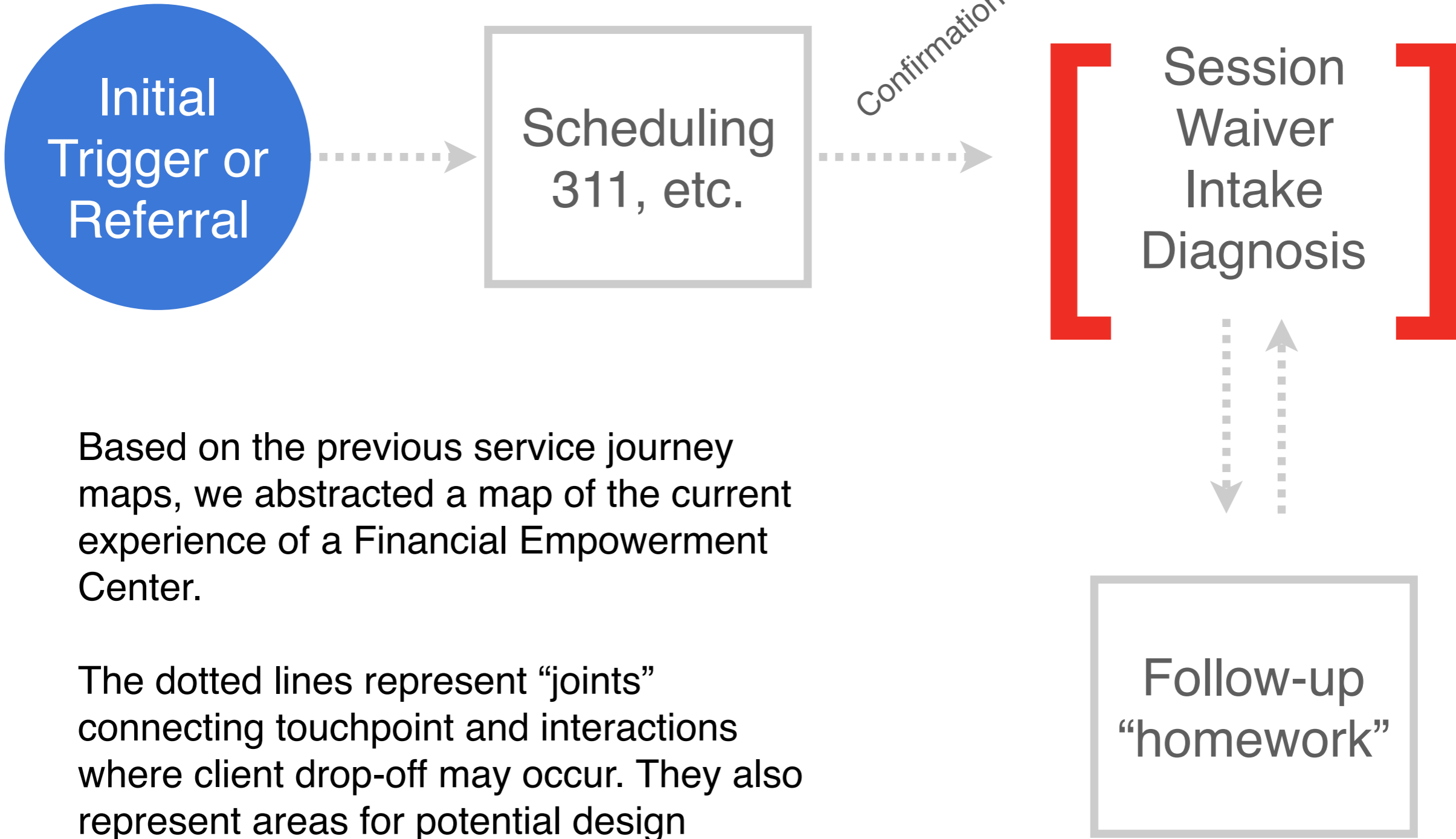


The DESIS team mapped out the service journey from a client and counselor perspective to better understand opportunities for design intervention.

Version 2.0



We also facilitated a workshop with NTFP to map out the service journey from their perspective



Based on the previous service journey maps, we abstracted a map of the current experience of a Financial Empowerment Center.

The dotted lines represent “joints” connecting touchpoint and interactions where client drop-off may occur. They also represent areas for potential design intervention.

Based on our discovery activities, we identified four thematic areas for potential design intervention.

1. **Finances as Wellness: Checkups for Financial Health**
2. **Supporting Counselors: Without Trust, No Action**
3. **Place, Space, and Identity: Financial Empowerment Centers as Neighborhood Institutions**
4. **Wayfinding and Financial Empowerment: Aligning Expectations and Providing Feedback Loops**

1. Finances as Wellness: Checkups for Financial Health



Our finances are about much more than our bank balances, just as we as people are worth more than our credit scores.

Finances are intersectional. Like health and wellness, our finances touch upon many aspects of our lives. Our financial situations can be both **symptoms** of other life issues as well as the **causes** of other needs. For example, our romantic/family situation, our access to housing (or lack thereof), and our physical/mental health affect our financial situation. In turn, our finances also influence our relationships and ability to access housing and healthcare.

Financial Empowerment Centers address some specific elements of clients' financial wellness. These elements can range from debt consolidation, management, or dispute, to behavior change regarding saving and spending, to credit score improvement. Some client issues can be solved under the current scope of financial counseling, while others require referrals to related services or other interventions that fall outside the scope of public services. Counselors often serve a pseudo-social worker role, even if this is not in their explicit job description or training.

For example, one set of clients, a husband/wife couple, had to cut short a financial counseling session because their children were making too much of a disturbance in the Financial Empowerment site. Without access to affordable childcare, these clients were unable to address their financial counseling needs. Other clients were unemployed, undocumented, or simply did not make enough money to make ends meet, and were referred to services related to employment and immigration.

- How might we explore the frame of “financial health and wellbeing” to encourage clients to seek out preventative financial counseling to prepare themselves for financial shocks and crises? In other words, how might the health and wellness fields inform
- How might we design interventions that help clients, counselors, policymakers, or administrators to understand the intersectionality of finances across the human experience?
 - How might these understandings influence the institutional contexts (e.g., contracts, performance measures, etc.) in which this work takes place?
- How might we design interventions to better take into account and address the intersectionality of finances in clients' lives?

2. Supporting Counselors: Without Trust, No Action



Trust enables perseverance and agency. As they tackle complex, emotionally intense issues together, high levels of trust between counselors and clients can inoculate clients against fatigue and discouragement, and inoculate counselors against burnout prescriptiveness.

Counselors must work to build trust while explaining the service, recording information for a client's file, and learning about a client's issues. Some counselors proceeded with their sessions more formally by having their new clients fill out the intake forms first, while other counselors employed a more “non-linear” approach to intake that focused on building rapport with their clients first, and then gathering the relevant waiver signatures and financial data.

One “star” counselor has a client she has seen for years travel all the way from the Rockaways to see her at her current Financial Empowerment Center site in Upper Manhattan. This same counselor had a client refuse to see one of her colleagues in a follow up appointment. The client only wanted to see this one star counselor. The flipside to this depth of rapport is the potential to become over-booked and overwhelmed.

While all counselors receive financial training as part of a CUNY course, as well as in-house training from their respective organizations, many of the counselors we spoke to got their “people skills” training from their previous jobs in client-facing positions, or from “informal” life experience.

There are currently periodic professional development and support meetings organized by the Office of Financial Empowerment (OFE), and individual service provider organizations have started their own online platforms for counselor knowledge sharing, but there is still room designing more integrated and coordinated support for counselors to help develop their skills and to help prevent burn out.

- How might we enable counselors to build trust and motivate clients?
- How might counselor and client interactions within a session open up, rather than close off, opportunities for clients to re-engage?
- How might we foster a motivating, resourceful professional community for all financial counselors?
- How might a financial counseling model be designed to avoid burn-out for counselors?
- How might we better match counselor expertise and “style” with clients’ specific needs?

3. Place, Space, and Identity: Financial Empowerment Center as Neighborhood Institution



Neighborhood institutions like the local bodega, coffee shop, or remittance/check cashing office often serve as community hubs that connect neighbors and provide counter the feelings of being isolated and anonymous in a big city like New York. These are places where they know your name and treat you like a regular.

Financial Empowerment Centers have the potential to grow into neighborhood institutions as well--it matters that some centers and counselors have strong roots in and ties to the neighbourhood. Counselors and clients we met spoke of meeting each other by accident in the street or at the local bodega, and these chance encounters have helped them reconnect after missed appointments, or served as additional motivation for clients to re-engage and get things done. One counselor told us about a bank teller at a local bank who refers clients to the closest Center. Another site successfully created a network for women in the area to support each other in achieving their goals.

However, there are sometimes physical/spatial challenges and issues with signage and wayfinding that prevent Financial Empowerment Centers from living up to their full potential as community hubs. One site is scattered over different locations in the same street. Some sites are in storefronts, and others are housed less visibly on different floors of larger buildings. One site is hidden in the back of a library room. Most sites share space with other social providers.

Once clients reach a Center, they may find the site difficult to navigate or negotiate. Some sites are staffed by building or partner institution receptionists who may or may not know about the work and staff of the Centers. At another site, a client might walk directly from the street into the office and want for a chair in which to sit while waiting.

There are varying degrees of privacy afforded to clients at different sites, and there are varying degrees of welcomeness implied for the children or elderly relatives of clients. Some Centers have waiting areas set up in a theater-style layout and facing a tv screen. At one site, a client trying to calm down a crying baby paced in front of a TV, to the consternation of other waiting clients. The receptionist repeatedly tried to shush the child.

- What would a Center look like if they become promoters and enablers of informal networks for community-based support? How might a Center bring collaboration back into neighborhoods and into community?
- How might a Center more systematically take advantage of the resources present in the local community?

4. Wayfinding and Financial Empowerment: Aligning Expectations and Providing Feedback Loops



A client's decision to make an initial appointment with a financial counselor represents a big step toward improving their financial situation. However, many fail to turn up for their first appointments, despite taking the trouble to learn about the service and set up an appointment. It's typical for a counselor to have six client meetings scheduled per day, yet, on average, only about three or four clients arrive for these meetings.

There's a lot of ground to cover in an initial meeting--information must be exchanged, services must be described, documents must be signed, releases and waivers must be granted, client relationship management software must be updated, and rapport must be established. Moreover, clients and counselors may enter these meetings with different senses of what they'd like to accomplish, the nature of the financial issues, and the way forward.

For example, counselors have undergone training in financial education and financial empowerment, and many have some measure of experience with the types of issues that a client may present. Counselors work on a daily basis with OFE's model of financial counseling and system of measuring progress and desired outcomes. In contrast, clients may not have a working model of how to move from "Point A" to "Point B." These divergent outlooks may make it difficult for clients to see the "big picture" as they meet with their counselors.

At the end of an initial meeting, a client will often have new information, recommended courses of action from a counselor, and, potentially, a follow-up appointment scheduled with the counselor.

- How might we help set client expectations and prime them for action, even before they have arrived for their first appointment?
- How might we motivate clients to take action between appointments? How might we enable clients to "self-service" between appointments?
- How might we motivate clients to set goals and develop healthy financial habits as part of their daily rituals?
- How might we create information feedback loops so clients (and their counselors) can see their progress and "small wins"?
- How might we encourage clients to lean on their social network of family and friends, to sustain their motivation to uphold healthy financial habits? How would peer and buddy networks influence clients' motivation?

We recently conducted a 4-day intensive with Parsons students to expand our discovery activities and to generate potential design concepts for our co-design phase.

The DESIS team is now synthesizing and evaluating the initial ideas from the 4-day intensive. We will be following up with our own ideation sessions as well as co-design activities with OFE, NTFP, and other relevant stakeholders.