

REGIONAL BRIEF:

LOUISIANA

Financial Capability Services in the time of COVID



AUTHORS

Hallie Lienhardt

Assistant Director, Center for Financial Security
University of Wisconsin-Madison

J. Michael Collins

Faculty Director, Center for Financial Security
University of Wisconsin-Madison

Molly Gallagher

Project Assistant, Center for Financial Security
University of Wisconsin-Madison

EDITORS

Karen Murrell

Project Manager, Asset Funders Network (AFN)

Jennifer Farland

Communications Strategist, Asset Funders Network (AFN)

Annika Little

Managing Director, Asset Funders Network (AFN)

Brandon Rapp

Program Officer, Louisiana Asset Funders Network (AFN)

Abby Hughes Holsclaw

Senior Director Asset Funders Network (AFN)

CASE STUDY ORGANIZATIONS

Services and Advocacy for GLBT Elders (SAGE)

David Vincent, Chief Program Officer

Warm Springs Community Action Team

Leah Guliasi, IDA Program Manager and
Artisans' Co-op Project Manager

United Way of Southeast Louisiana

Chiquita Lattimore, Vice President of Financial Capability

Financial Health Pathways

Lourdes G. Zuniga, Executive Director

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REGIONAL BRIEF

LOUISIANA Financial Capability and Asset Building Services in the time of COVID:

Focus Group and Survey Findings

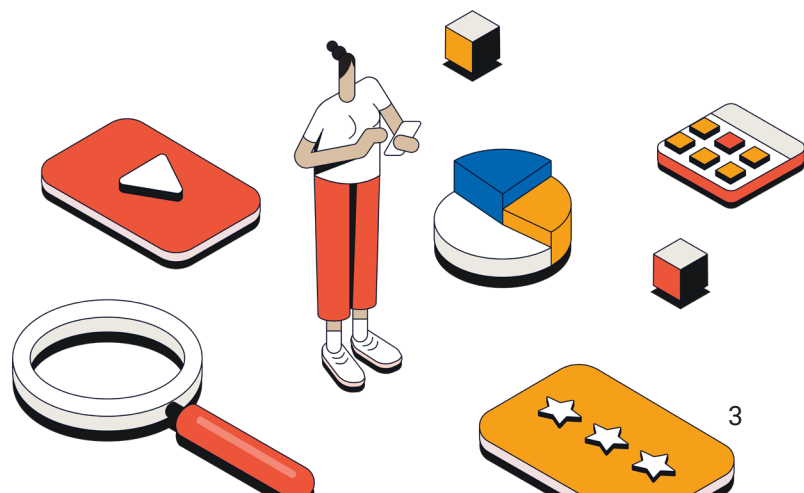
BACKGROUND & METHODS

The COVID-19 pandemic has had a profound impact on families and communities, forcing many services to transition from in-person to online activities. This rapid shift expanded the limits of how technology can reach a broader range of people, but also raised important questions about access and equity. The Asset Funders Network (AFN) and the University of Wisconsin-Madison Center for Financial Security (CFS) set out to better understand the transition to remote services among financial capability and asset building (FCAB) programs during this critical time through a series of regional focus groups and a nationally distributed survey, which focused in on six states or regions across the nation. FCAB programs include services such as financial education, financial counseling, financial coaching, emergency assistance, benefits navigation, housing supports, workforce development, and related services.

Input was collected from a focus group of five financial service providers based in Louisiana. Louisiana specific data was analyzed from the national survey, and a sub-survey on financial coaching service delivery in Louisiana was collected to better understand the landscape of their statewide financial coaching initiative. This brief synthesizes findings from the focus group and Louisiana survey data to share successful strategies, recognize challenges, and offer recommendations that best represent the context of financial services in Louisiana. A final section of the brief will spotlight the state of the financial coaching field in Louisiana.

CENTRAL FINDINGS

- Organizations have been flexible and innovative in the ways they connect with clients.
- Some organizations find that the shift to virtual services has allowed them to reach more people. However, the digital divide continues to be an issue for many populations.
- Virtual services do not have the same impact as in-person services because it is harder to engage clients, build trust, and develop relationships.



KEY FINDINGS: SUCCESSFUL STRATEGIES

Providing flexible, relevant, and easy to access financial capability services has been crucial during the COVID-19 pandemic. Louisiana-based organizations shifted the content of their financial capability services to focus on what people needed immediately, such as helping clients increase their emergency savings. Emergency savings proved vital during evacuations during Hurricane Ida in Louisiana in September of 2021.

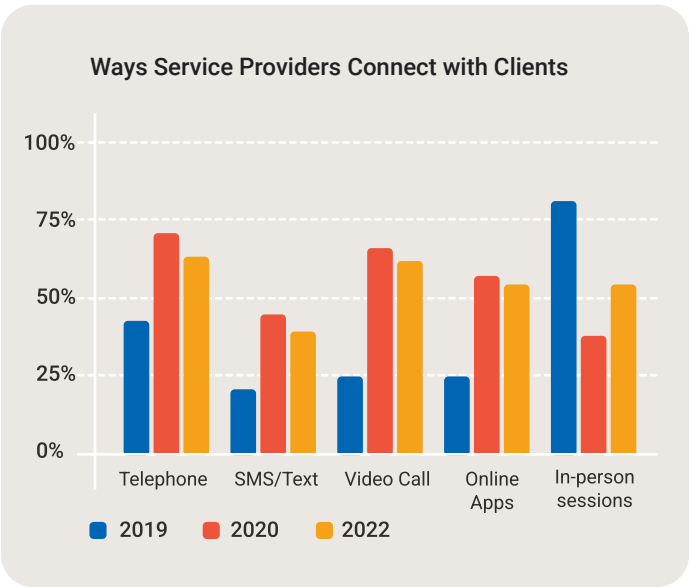


Figure 1. At least one-quarter of clients served by mode

Service providers use innovative methods to connect with clients. Some practitioners find that hybrid sessions work well, even when virtual and in-person participants are taught in classes together. Organizations are able to provide spaces and computers onsite to support clients without their own computers. Some organizations distribute hot spots and devices. Over half of the Louisiana-based survey respondents reported that they have continued to see clients in person during the pandemic and anticipate that in-person visits will increase in the next year (Figure 1).

Providing virtual services allowed some Louisiana-based organizations to serve larger numbers because they eliminate transportation barriers and allow people to join from anywhere on a computer or phone. However, others feel that participation decreased because people struggled to find time to participate. One practitioner discussed how their organization takes time to assess their clients’ level of tech knowledge, then provides support to clients one-on-one to make sure they are able to succeed in the virtual services.

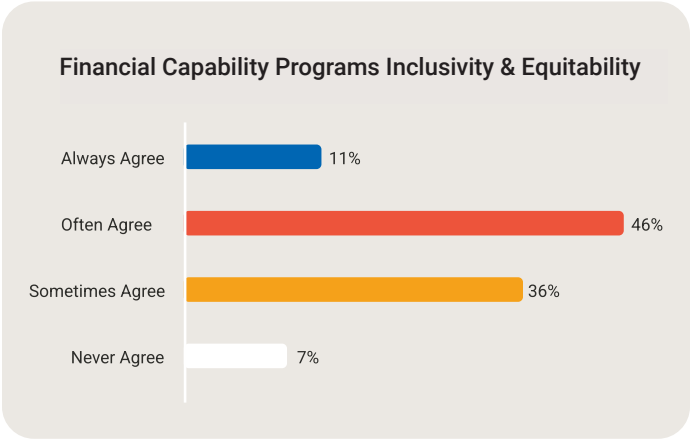


Figure 2. Inclusivity & Equity of Services since Pandemic

More than half the Louisiana-based survey respondents often or always agree that their financial capability and asset building programs have become more inclusive and equitable since the COVID-19 pandemic (Figure 2), with several saying that they saw more low-income families and women. Further, all survey respondents reported they sometimes, often, or always agree that their organization has a greater focus on reducing barriers to financial capability and asset building programs for people of color than it did two years ago.

KEY FINDINGS: CHALLENGES

The shift to virtual services during the pandemic has created several challenges for Louisiana-based providers and their clients, particularly in how the shift has exacerbated the digital divide and increased the need for organizations to design creative ways to offer virtual services. Clients do not always feel comfortable with technology, particularly older adults. Many practitioners feel that training and technology support has been insufficient. Limited technology access has led to barriers for many Louisianan families during the pandemic. Some families do not have broadband access and have limited access to devices to participate in virtual services. Practitioners commented that the digital divide existed long before the pandemic, but this crisis was exacerbated during the pandemic and forced organizations to work toward solutions with urgency.

Louisiana practitioners feel that virtual services can compromise the impact of financial interventions.

Practitioners felt that many clients struggle to focus in their homes and need a space away from home to concentrate. Practitioners grapple with how to find new ways to get people to feel comfortable and engaged over video and therefore have found the need to continually update their courses to keep them interactive and dynamic. Further, the relationships that participants forged with one another through in-person meetings are lost in virtual classes. Feeling connected to peers and instructors is critical in teaching and learning.

Additionally, clients are not following up as consistently with virtual services. Practitioners find that clients will more likely attend follow-up sessions if they have an in-person commitment. Finally, financial sessions that require paperwork are harder to do virtually. Practitioners feel that clients better understand the paperwork when it is explained to them in person. One practitioner commented that virtual resources were an important band-aid, but that achieving the same level of success from virtual services is rare.



CONSIDERATIONS & RECOMMENDATIONS

■ Increase Technology Comfortability.

Organizations would benefit from time and resources to address clients' discomfort with technology. Assessing clients' technology competency and providing one-on-one assistance before initiating financial services with them could potentially alleviate some of the technology unease.

■ Invest in Computer Support for Staff and Clients.

Organizations could benefit from computer support for both staff and clients. A technology coordinator to assist with troubleshooting and teaching literacy courses would be beneficial to the ease of use and adapting to virtual service delivery and consumption.

■ Partner to Provide Client Access to Computers and Broadband.

Many practitioners noted that one of the most beneficial steps to take would be direct aid to clients in the form of computers and internet service. This investment in access to technology is important on multiple levels, not only in accessing the FCAB services, but following through on action items and making strides toward financial goals.

■ Teach Staff Online Instruction Skills.

A long-held assertion in the financial capability and asset building field is that practitioners desire professional development opportunities to arm them with new skills, strategies, and provide engagement with colleagues. Funding professional development for staff on teaching virtually would help providers create services that keep people engaged and potentially develop a community of practice that could give practitioners peer-to-peer learning and support.

■ Provide Operational, Longer-Term Funding to Allow Organizations to Plan and Execute.

Funding cycles are often on a yearly basis and may not align with the types of services and programs that organizations are developing and delivering. Receiving longer-term funding with less restrictions would give organizations a chance to work on long-term goals with their clients by taking the focus off the funding and allowing for more flexibility and innovation mid-course.

■ Offer More Investment in Financial Coaching to Support Increased Savings for Louisianans.

Practitioners in Louisiana noted the importance of having savings in the lives of their clients, which became even more clear during the pandemic and after Hurricane Ida. Investment in services across the state that directly meet individuals where they are and offer help for lower-income populations to save, such as direct financial coaching, could be beneficial in curtailing negative impacts of future crises.



LOUISIANA

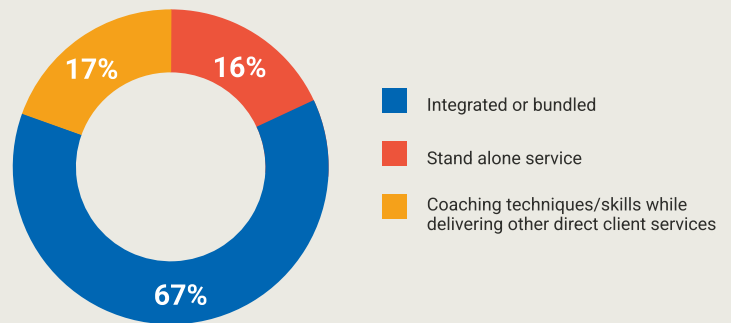
SPOTLIGHT ON FINANCIAL COACHING: STATE OF THE FIELD

The field of financial coaching is a developing area of service in the state of Louisiana, and the Louisiana Asset Funders Network has worked to explore and elevate financial coaching as a means to increase the financial security of Louisianans. To this end, a supplemental survey was delivered to Louisiana participants in a broader national survey on financial coaching and asset building service delivery in order to capture the current state of the Louisiana financial coaching field. The below findings provide a snapshot of the state of the field in late 2021 through early 2022.

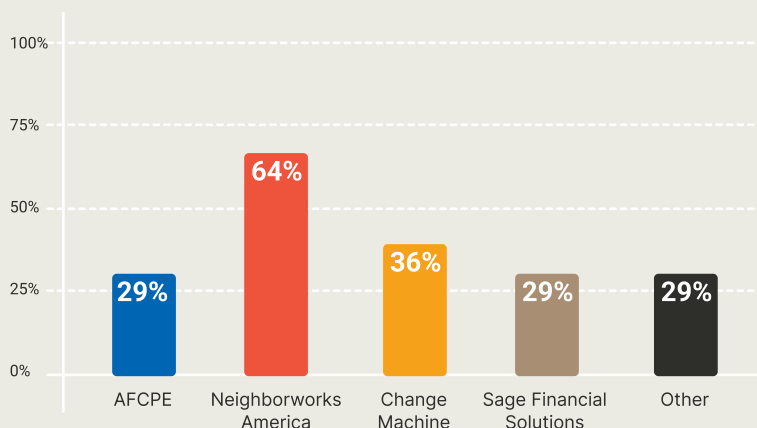
How Is Coaching Delievered in your Organization?

67%
integrated
or bundled

Financial coaching in Louisiana is mainly delivered as a service that is integrated or bundled with other services.

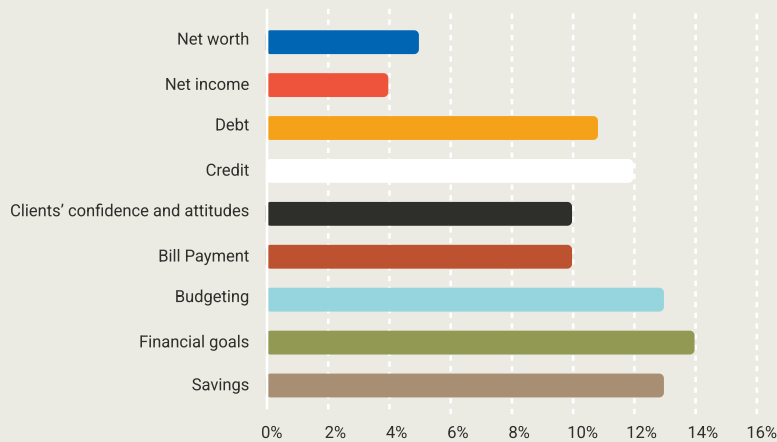


Trainings attended by LA Coaches



In Louisiana, financial coaching is most commonly integrated or bundled with credit or debt counseling, housing counseling, or workforce development services. **Clients meet with Louisiana financial coaches for an average of seven total sessions over an average duration of seven months.** Louisiana coaches attend a variety of different trainings with Neighborworks America being the most commonly attended by 64% and Change Machine by 36% of responding coaches.

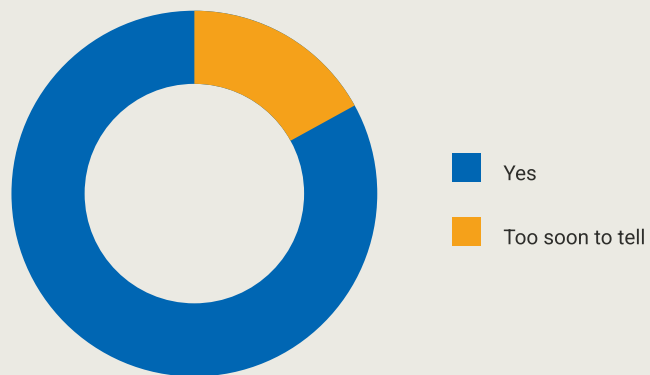
Most commonly tracked financial indicators



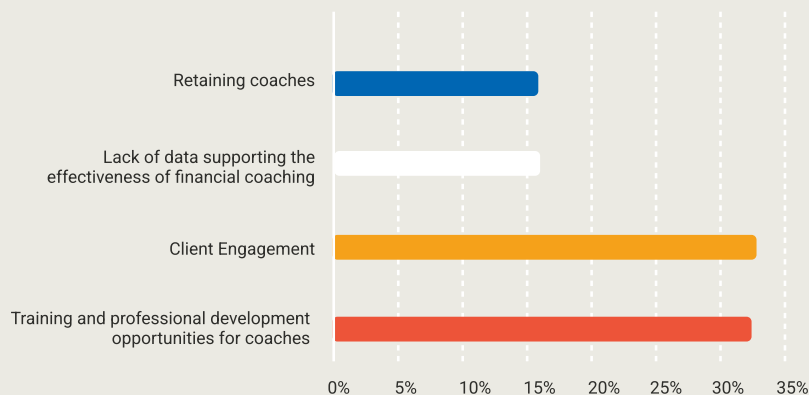
Coaching programs in Louisiana are most likely to track clients' **financial goals** along with budgeting and saving.

Based on documentation and data collected by their organizations, the majority of **Louisiana financial coaches see improvement in their clients' financial situations** after financial coaching. A smaller percentage feel that it is too soon to tell.

Coaching clients that improve through coaching (based on data collected by LA organizations)



Most significant barriers to coaching



Coaches indicated the most significant barriers facing their organizations in delivering financial coaching are client engagement and the need for **more training and professional development opportunities** for coaches.