

REGIONAL BRIEF:

TEXAS

Financial Capability Services in the time of COVID



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REGIONAL BRIEF

TEXAS 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, counseling, coaching, emergency assistance, benefits navigation, housing supports, workforce development, and related services.

Input was collected from a focus group of thirteen financial service providers based in Texas. Texas-specific data was analyzed from the national survey. This brief synthesizes findings from the focus group and Texas survey data to share what strategies have succeeded, recognize challenges, and build recommendations that best represent the context of financial services in Texas.

CENTRAL FINDINGS

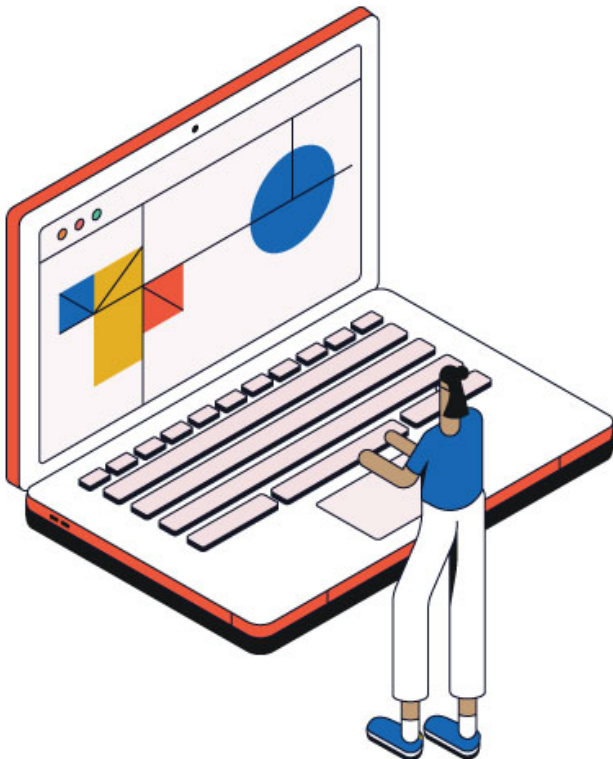
- The COVID-19 pandemic has challenged financial capability organizations in the way they connect with clients, which has highlighted a need for flexibility and accessibility in financial services.
- Organizations have felt an incredible amount of stress during the pandemic, and some have struggled to stay afloat.
- Some organizations have found 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.



KEY FINDINGS: SUCCESSFUL STRATEGIES

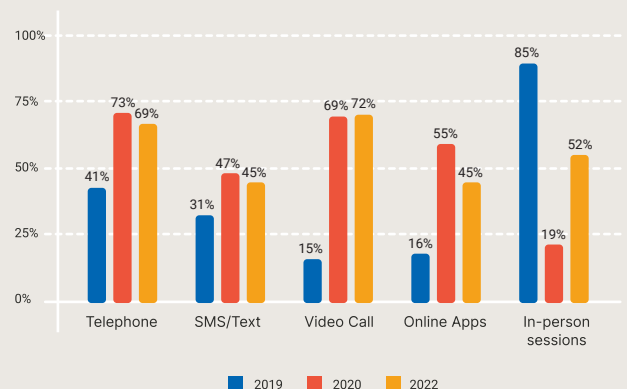
Providing flexible, straight forward, and easy to access financial capability services has been crucial during the COVID-19 pandemic. For some, this means providing new types of services such as emergency assistance or crisis relief loans to address the immediate needs of families; for others, it means connecting with community partners and going into the community spaces where people spend time. Overall, there has been a need for flexibility in the way that clients connect with services and practitioners in Texas have risen to the occasion with their strategies.

Service providers are innovative in the modes through which they connect with clients, such as providing short two-minute videos with financial advice, streaming on Facebook Live, airing financial capability segments on the news, and allowing people to have short “micro-sessions” in their work breaks. It is harder to maintain interest and motivation over video platforms, so these innovative methods have helped keep clients engaged.



More than three quarters of Texas-based respondents said that before the pandemic they primarily engaged with clients in person. Most of providers continued to see at least some of their clients in person, but shifted the majority of their services to video call, text, or phone services. Some practitioners in the focus group discussed continuing to provide in-person visits with those most impacted by the digital divide throughout the pandemic. Over time, people have become more comfortable with virtual services and some continue to opt for these platforms even when in-person services have become available again. Going forward, most practitioners expect to continue using phone and video call as their primary means to engage with clients (Figure 1).

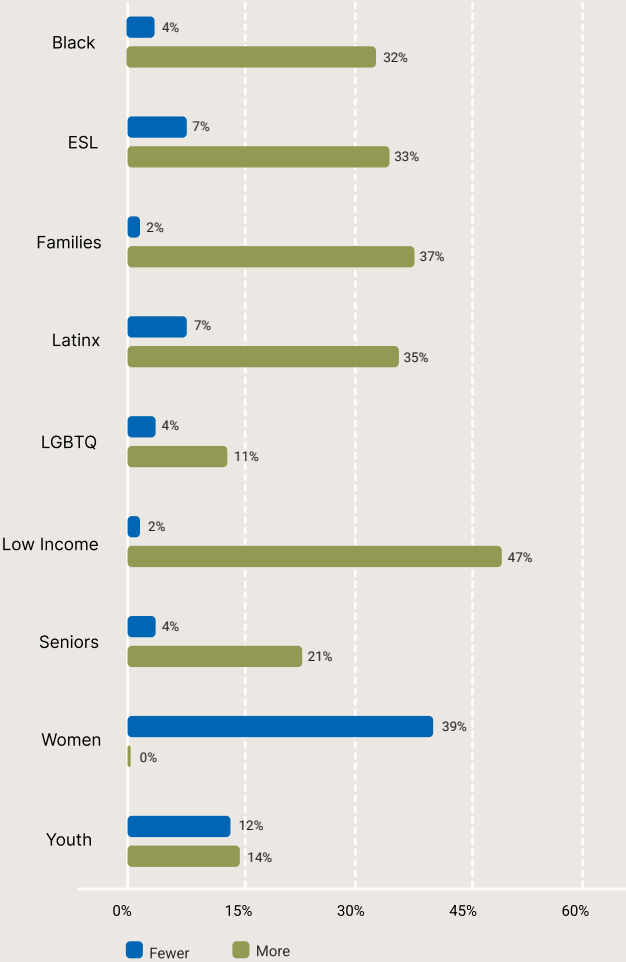
Figure 1. At least one-quarter of clients served by mode



Source: FCAB Providers Survey 2022

Many Texas-based organizations have found that virtual services have reached a larger population, as they eliminate transportation and childcare barriers. Practitioners also noted that when they are on a call with clients, more family members are able to engage with the service than with in-person sessions.

Figure 2. How have the demographics of your clients/consumers changed since the pandemic?

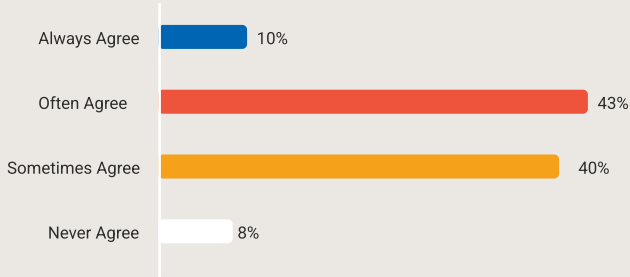


Source: FCAB Providers Survey 2022

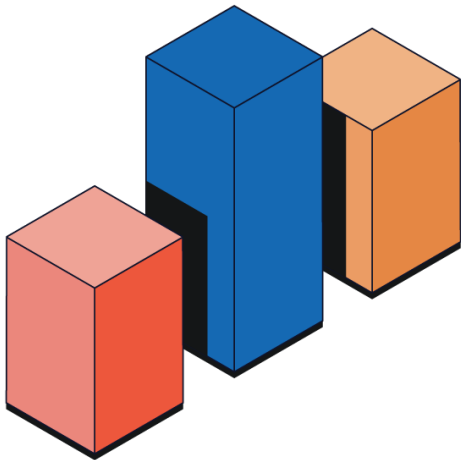
Most Texas-based survey respondents sometimes, often, or always agree that their financial capability and asset building programs have become more inclusive and equitable since the COVID-19 pandemic, with several saying that they saw more low-income clients, families, clients who speak English as a second language, Latinx and Black clients (Figure 2). Further, most survey respondents reported they sometimes, often, or always agree that their organization has a greater focus on reducing barriers to financial capability asset and building programs for people of color than it did two years ago (Figure 3).

Figure 3. Inclusivity & Equity of Services since Pandemic

Since the COVID-19 pandemic, our financial capability and asset building programs have become more inclusive and equitable in terms of populations served



Source: FCAB Providers Survey 2022



KEY FINDINGS: CHALLENGES

The shift to virtual services during the pandemic has created several challenges for Texas-based providers and their clients. Practitioners feel there is an incredible amount of stress placed on non-profits right now. They are filling the gaps where the government has fallen short. Organizations have lost revenue for events that are not happening and are struggling to keep employees.

The shift to virtual services has exacerbated the digital divide between those who have the access, knowledge, and comfort around technology and those who do not. Some do not have computers, internet access, or a way to scan and send documents. Clients may not feel comfortable on video platforms because it feels like they are letting strangers into their house. Practitioners have found the digital divide particularly affects older adults and families in rural areas.

Organizations are making changes to how they deliver services in order to address the digital divide. One-on-one education and a focus on technology support is needed to address the technology gap. Organizations have been able to provide hotspots, rental devices, or onsite computers for their clients to borrow. However, challenges around connecting clients has persisted throughout the pandemic.



CONSIDERATIONS & RECOMMENDATIONS

- Providing support for staff through trainings, additional staff or volunteers, and mental health and well-being initiatives could be beneficial for staff retention and morale.
- Funding directed at enhancing existing programs would help organizations leverage the success they have observed and expand and build upon that success.
- Providing organizations with funding for devices, hotspots, and technology support can address challenges around the digital divide in a tangible and straightforward way.
- It is difficult to measure progress when the “normal” is brand new. Organizations would benefit from time and flexibility to rethink how to evaluate impact and develop new metrics.

To learn more about FCAB services during the COVID-19 pandemic in other regions, please check out these related [AFN regional briefs](#).

