Understanding Financial Capability Interventions within Employment-Related Contexts for Adults with Low Incomes: Final Report





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Sam Elkin, Ashweeta Patnaik, Lorraine Perales, and Sophie Hearn, MEF Associates

Mark Treskon, Lauren Fung, Paige Sonoda, and Laura Wagner, Urban Institute

Submitted to:

Emily Ross and Girley Wright, Project Officers
Office of Planning, Research, and Evaluation
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Project Director: Sam Elkin
MEF Associates
1330 Braddock Place, Suite 220
Alexandria, VA 22314

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Overview

A. Introduction

Individuals with lower incomes may face a range of economic challenges and barriers to upward mobility. Two types of services that may both contribute to the goal of improving individuals' financial situations are employment and training (E&T) services, which have the goal of improving employment outcomes, and financial capability interventions, which are focused on building financial knowledge and expanding access to resources. The Office of Planning, Research, and Evaluation (OPRE) within the Administration for Children and Families under the U.S. Department of Health and Human Services contracted with MEF Associates and their subcontractor, the Urban Institute, on the Integrating Financial Capability and Employment Services (InFin) study to learn about ways in which organizations provide E&T and financial capability services in an integrated manner. This report summarizes the study's key findings about the approaches organizations use to integrate these services, their motivations for doing so, details on the types of financial capability services involved, and participant perspectives on integrated services. It also discusses considerations for future research on the effectiveness of integrated models.

B. Primary research questions

The study focused on five primary research questions:

1. To what extent are E&T programs incorporating financial capability interventions or services?
2. Why are E&T programs incorporating financial capability interventions or services? What factors, including any state or local policies, drive this decision?
3. What are the key inputs, activities, and outputs of financial capability interventions as implemented within E&T programs?
4. What are the efforts to evaluate financial capability interventions or services in E&T contexts to date?
5. What are the research gaps in these areas and options for future research and evaluation efforts to address them?

C. Purpose

People with low incomes may face various challenges to improving their financial situations. E&T and financial capability services can help improve people's financial circumstances by providing them with useful skills, knowledge, and access to resources and opportunities. Moreover, E&T programs have the unique potential to offer financial capability services in a way that complements the E&T services to increase the likelihood of financial stability for

participants. Given that there is limited research about the integration of these two types of services, the purpose of the InFin study was to expand the knowledge base on this topic.

Specifically, the study aimed to build more systematic evidence for policymakers and practitioners about the forms and practices of integrating and incorporating financial capability interventions in E&T programs serving adults with low incomes and the extent to which it occurs; to identify research gaps; and to assist in establishing a basis for future research and evaluation of effectiveness in this area.

D. Key findings and highlights

- Organizations included in this study offered both E&T services and financial capability services because they saw the two types of services as sharing a common goal of empowering participants and improving their economic well-being.
- Organizations varied widely on a set of dimensions of integration identified by the study team, but could be generally organized into four models of integration based on a) whether the organizations believe E&T and financial capability services mutually promote economic well-being as part of the same theory of change or separately, and b) whether their program arrangements assume participants will take up both types of services or allow participants to decide whether or not to engage in both.
- The majority of participants who were interviewed entered the programs because they needed employment services or support services. They took part in a wide range of both services and often set financial goals after enrolling in the financial capability services. They expressed appreciation for the guidance and support of E&T and financial capability staff and for the positive connections with peers. They shared challenges engaging in financial capability services while working full time or trying to meet immediate needs.

E. Methods

This study used a variety of methods to gather data to build a better understanding of existing programs that integrate financial capability interventions into E&T programs serving adults with low incomes. Data collection efforts included a survey of organizations operating E&T programs that integrated some type of financial capability intervention; interviews with administrators, staff, partners, and participants from an overlapping set of organizations; interviews with employers offering financial capability services to their staff; and focus groups with administrators from a subset of the organizations that completed the survey.

The organizations included in the study were geographically diverse and included a mix of non-profits, for-profits, government-funded agencies and educational institutions. They administered a range of federally- funded programs and offered an overlapping set of E&T services. They served diverse populations but shared a focus on underserved populations with low incomes.

Glossary

- **Access to financial products**. Providing access to (usually low-cost) financial products, such as checking and savings accounts.
- **Employment and training (E&T) services.** Services intended to help people increase the skills and experience needed to obtain and succeed in employment. These include employment counseling or coaching, job search assistance, and case management.
- **Financial access**. Access to financial products and resources that promote financial stability, such as low- or no-fee bank accounts.
- **Financial capability**. The capacity, based on knowledge, skills, and access, to manage financial resources effectively.
- **Financial coaching**. Multiple one-on-one sessions that focus on topics related to achieving the financial goals set by the participant.
- **Financial counseling**. Multiple one-on-one sessions to address specific financial issues the participant is facing; session goals are defined by the counselor.
- **Financial education**. Workshops, classes, or curricula covering specific topics, such as money management, how to reduce debt, or how to manage credit.
- **Financial knowledge**. Knowledge and understanding of financial concepts, such as compound interest.
- **Financial situation**. The objective facts of a person's financial circumstances and economic context within which they live.

Executive summary

Financial capability—a person's capacity to manage their financial resources effectively, based on financial knowledge, skills, and access to high-quality financial products and services—can be an important contributor to a person's financial outcomes and overall well-being (within the context of their socioeconomic circumstances and external factors such as historical and structural discrimination and inequality). Financial capability interventions, such as financial education, coaching, and counseling, intend to improve economic outcomes by building financial skills, knowledge, and self-efficacy, as well as expanding access to resources and opportunities to promote positive financial behaviors.

Individuals with lower incomes may face a range of economic challenges and barriers to upward mobility, and interventions aimed at building financial capability may have the potential to improve their financial lives. Similarly, as some of the challenges they face may stem from low wages and limited employment opportunities, organizations providing employment and training (E&T) services aimed at improving employment outcomes may also contribute to the same goal of improving their financial situations. Further, there are opportunities for E&T programs to deliver financial capability services to the people they serve. However, there is currently little evidence on the efficacy of E&T programs applied in this way.

The Integrating Financial Capability and Employment Services (InFin) study aimed to build systematic evidence for policymakers and practitioners on the extent, forms, and practices of integrating financial capability interventions in E&T programs for adults with low incomes. It also sought to identify research gaps and lay the foundation for future research and evaluation in this field.

The study's approach was informed by a literature synthesis that reviewed existing research on financial capability interventions and their effectiveness, as well as emerging research on integrated approaches combining E&T and financial capability services. The synthesis provided a framework for understanding the relationship between financial concepts and E&T programs. Additionally, the study team consulted experts, including federal agencies, researchers, and program administrators, to refine the study's approach, data collection methods, and program inclusion criteria.

The study aimed to answer the following research questions:

1. To what extent are E&T programs incorporating financial capability interventions or services?
2. Why are E&T programs incorporating financial capability interventions or services? What factors, including any state or local policies, drive this decision?
3. What are the key inputs, activities, and outputs of financial capability interventions as implemented within E&T programs?

4. What are the efforts to evaluate financial capability interventions or services in employment and training contexts to date?

5. What are the research gaps in these areas and what are the options for future research and evaluation efforts to address them?

A. Methodology

The study used various methods to gather comprehensive data on the integration of financial capability interventions with E&T programs serving adults with low incomes and to explore the challenges and successes of these integrated programs. The study collected data through surveys, phone interviews, site visits, participant interviews, employer interviews, and administrator focus groups. The survey gathered information on 62 E&T programs integrating financial capability services. Through phone interviews, the study team aimed to collect more detailed and open-ended information. The study included 15 interviews with administrators of organizations offering both E&T and financial capability services. Through site visits, the study team collected in-depth qualitative information from a limited number of notable E&T programs implementing financial capability services. Participant interviews included 12 participants from four E&T programs. Employer interviews involved 10 employers offering financial capability services to staff with low incomes. Administrator focus groups were intended to identify challenges and potential solutions in integrating E&T and financial capability services and included eight administrators in total. Data analysis involved descriptive statistics for survey data and qualitative analysis of interview and focus group transcripts to identify common themes and trends.

B. Organizations offering integrated services

While the 62 organizations in the survey sample were not intended to be a representative sample, they were selected across multiple characteristics to understand the range of integration approaches. Key areas of diversity across these organizations included geographic location, organization type, and federal program offerings. The organizations offered a common set of E&T services and shared a focus on assisting underserved populations.

- The survey included responses from organizations in 25 states and the District of Columbia.
- The organizations included non-profit entities, for-profit organizations, government-funded agencies, and educational institutions.
- They administered various federally funded programs, such as the Workforce Innovation and Opportunity Act (WIOA), Community Services Block Grant, SNAP Employment and Training, and Temporary Assistance for Needy Families (TANF) employment services.
- They offered a core set of E&T services, including employment counseling or coaching, soft skills training, job search assistance, and case management.

- They served diverse populations but shared a focus on underserved populations with low incomes.

C. Financial capability services offered in integrated programs

The organizations included in the study offered a variety of financial capability services integrated into E&T programs with a focus on helping participants build financial knowledge, achieve their financial goals, and access essential financial products.

- Financial education (i.e., time-limited workshops, ongoing classes, or curricula covering financial topics) was the most common financial capability service offered by the organizations surveyed. Financial education typically took the form of workshops, both in-person and virtually, and was offered both internally and through external partners. Workshop content varied and included topics like budgeting, wealth building, entrepreneurship, cultural orientation (e.g., addressing cultural differences in the role of women in financial systems for new immigrants), financial literacy, racism and money, banking, debt management, credit understanding, and more. The workshops were often tailored to the specific needs and interests of participants. Some organizations combined financial education workshops with goal-focused coaching to help participants apply the workshop content to their financial goals.
- About half of the surveyed organizations offered financial coaching. Financial coaching is personalized, one-on-one assistance focused on helping participants define and achieve their financial goals. It often served as an entry point to other financial capability services. Coaching topics ranged from basic financial concepts like interest rates and credit scores to navigating mobile apps and budgeting. Some organizations saw financial coaching as a form of individualized financial education.[1]
- A smaller proportion of organizations offered financial access services, primarily through partnerships with banks, credit unions, or community organizations. These services included access to safe and affordable financial products (such as checking and savings accounts or low-cost loans), tax preparation assistance, emergency savings programs, and asset-building programs like Individual Development Accounts (IDAs).

i. Motivations and approaches for delivering integrated services

Many organizations included in the study offered both E&T and financial capability services because they saw these services as working towards the common goal of improving participants' economic well-being and empowering participants. Interviews suggested three

[1] In addition, almost half of surveyed organizations offered financial counseling. While "financial coaching" and "financial counseling" have different definitions, interviewees often used the terms "financial coaching" and "financial counseling" interchangeably, and it was not always possible for the study team to distinguish which term best fit the services described in the interviews. As a result, throughout much of this report, we do not present separate findings on financial counseling.

ways organizations thought about the relationship between E&T and financial capability services:

1. those that viewed E&T services as their principal focus and financial capability services as supplemental to them;
2. those that viewed integrated E&T and financial capability services as their primary focus; and
3. those that offered a broad range of social support services and viewed E&T and financial capability services as just a few of the many services they provide.

Some organizations had unique motivations based on the needs and goals of specific populations they served, such as immigrants, Hispanic or Native American communities, and returning citizens.

Interviews found that government policies enabled organizations to provide financial capability services alongside job training, often at no cost to eligible individuals. Moreover, policies that supported individuals with low incomes in areas like housing, transportation, childcare, and food security made it easier for participants to engage with both E&T and financial capability services. Additionally, federal tax credits like the Earned Income Tax Credit (EITC) and child tax credits played a crucial role in providing additional financial resources to families with low incomes.

Interviews also provided information on decisions organizations have made regarding approaches to integration:

- Most organizations offering financial knowledge and literacy services (financial education, coaching, and counseling) provided these services in-house. Organizations often partnered with outside organizations to provide services focused on providing access to financial products and resources.
- Types of partners reported by interviewees included banks, credit unions, educational institutions, volunteer financial planners, consumer law attorneys, legal organizations, and the Volunteer Income Tax Assistance (VITA) program.
- Organizations had various partnership arrangements to deliver financial capability services, ranging from time-limited collaboration to ongoing coordination. Partnerships could involve co-located services, referrals, or fully remote services. The formality of partnerships varied, with some having formal memorandums of understanding (MOUs) or grant relationships, while others operated more informally. Regular communication through meetings with partners was common, especially for organizations with MOUs in place.

- Organizations differed on whether they offered E&T and financial capability services as part of the same program (i.e., enrollment in one set of services means automatic enrollment in the other set of services) or as standalone services.

ii. Models of integrated service delivery

Based on a review of themes arising during the interviews, the study team identified a set of dimensions of integration that reflect different ways in which organizations think of the relationship between E&T and financial capability services, how they chose to organize and implement the two types of services, how participants experience the relationship between the two types of services, and the funding context for the services. Organizations involved in the study varied widely on these dimensions.

To understand how the different dimensions interact with each other, the study team looked at characteristics of four groups defined by their level of integration on two of the dimensions: "vision"—whether the organizations saw E&T and financial capability services mutually promoting economic well-being as part of the same theory of change ("unified conceptions") or separately ("supportive conceptions")—and "service participation arrangements"—whether their program arrangements assume participants will take up both types of services ("expected participant arrangements") or leave it up to the participant to decide whether to engage in both ("optional participation arrangements").

1) *Unified conceptions of services with expected participation in both service types,* where integration is core to the identity and approach of the organizations in this model. Programs provided by these organizations often have a high degree of integration on most of the seven dimensions, including centralized, co-located service offerings and formal coordination between the services;

2) *Unified conceptions of services with optional participation in both service types,* which view E&T and financial capability services as contributing together to the same goals but have more distinct service delivery than the previous model;

3) *Supportive conceptions of services with expected participation in both service types,* which view integration as less central to their model than the first two models but still require some participants to receive both types of services (e.g., workforce services providers with light touch financial capability requirements for some E&T service recipients); and

4) *Supportive conceptions of services with optional participation in both service types,* which place less of an emphasis on integration than the other models, rely more on external partners for financial capability services, and are informal in how they coordinate services (i.e., E&T providers that make purposeful referrals to financial capability services but do not require participation).

iii. Program arrangements

Interviews provided insights into the program arrangements and activities of organizations offering integrated services.

- Tailoring Services: Many organizations customized their services to meet the specific needs of the populations they served, including addressing cultural and linguistic needs, providing multilingual services, and offering support to overcome barriers that hinder individuals from participating in financial capability activities.
- Recruitment Strategies: Organizations used a variety of recruitment strategies, such as internal referrals within their organization, referral partnerships with external organizations, and general outreach efforts to attract participants to their programs.
- Intake and Assessment: While there were not many distinct intake practices, formal and informal assessments played a crucial role in understanding participants' essential needs and financial situations and helping providers match participants with appropriate services.
- Staffing: Staffing arrangements for financial capability services varied among organizations. Some had staff who delivered both employment and financial capability services, while others had either separate internal staff dedicated to financial capability services or external agencies with which they partnered for these services.
- Training for Staff: Organizations provided training to their staff, ranging from coaching techniques, motivational interviewing, and trauma-informed approaches, to specific financial coaching training and other relevant topics. Training was tailored to better address the needs of the participants they served.

D. Challenges to integration

Program administrators and front-line staff shared several challenges associated with the delivery and integration of financial capability services in E&T settings.

- Barriers to participant take-up of financial services: Participants often had immediate short-term needs like food, housing, employment, and childcare, which hindered their focus on long-term financial goals. Providing one-on-one support allowed staff to tailor services to individual circumstances and address short-term needs. Addressing short-term needs was crucial for building trust and maintaining participant engagement.
- Challenges with the delivery of financial capability services: Retention of participants in financial capability and E&T services was challenging due to factors like job schedules and transportation issues. Some organizations offered flexible services, evening classes, and mobile staff to accommodate participants' schedules. Online financial capability services provided convenience but could result in lower attendance and participant

engagement. Documenting participant completion and understanding of financial education material could be difficult.

- Challenges of funding restrictions and other policies: Funding restrictions often hindered the integration of financial capability services with E&T programs. Rules and regulations in public programs limited organizations' ability to meet the complex needs of participants, such as childcare, transportation, and challenges as a result of criminal histories. Public assistance programs may have eligibility requirements that restrict the ability to serve specific populations.

- Constraints to participant engagement due to public programs' rules and requirements: Participation requirements in public programs, e.g., work activity mandates, could negatively impact participant engagement. Reductions in or loss of benefits due to income increases was a significant challenge for participants with low incomes, as they feared losing benefits if they sought higher-paying jobs. Organizations offering cash transfers or incentives had to carefully structure their services to minimize the impact on participants' benefits.

E. Participant perspectives

Interviews with 12 program participants highlighted several key points about their experiences with programs integrating financial capability and E&T services.

- Most participants initially joined the programs seeking employment services or other forms of support, with financial capability services being a secondary consideration; however, after enrolling in these services, participants developed various financial goals.

- Participants engaged in a wide range of E&T and financial capability activities, such as job applications, resume building, budget creation, savings, debt management, and more.

- Participants generally expressed appreciation for the support and guidance provided by E&T and financial capability staff, and for positive relationships with their coaches and peers.

- Some challenges included difficulty engaging in financial capability activities while facing immediate needs like housing, reluctance to participate due to apprehensions about financial topics or perceived lack of self-sufficiency, and concerns about losing benefits when gaining employment.

Program participants, staff, and employers interviewed for the study shared recommendations on how organizations could improve their E&T and financial capability service delivery and integration.

- Program participants who were interviewed recommended providing or connecting participants to more resources; expanding recruitment to a broader range of

participants; making changes to service delivery such as smaller classes, longer classes to pursue topics in greater depth, and more flexible hours; and providing opportunities for participants to talk about their experiences in order to help shape policy. Some said they wanted more funding for programs, as well as more support for program staff (e.g., mental health and financial capability services for staff).

- Program staff members and administrators who were interviewed recommended increasing content on homeownership as part of financial education workshops, more use of scenario-based discussions, increasing incentives for participants, and closer collaborations with state human service agencies to help participants holistically navigate benefits systems.
- Employers interviewed recommended tailoring services to the specific populations receiving them and taking collaborative approaches in working with employees to make sure employees feel supported by the services they are offered.

F. Key takeaways and notable practices

In addition to the findings described above, the final report identified themes that recurred in multiple interviews or other forms of data collection, as well as practices that were notable for either being tailored to participant needs or addressing challenges identified by participants.

Key takeaways included:

- *Tailoring financial capability services:* Participants' financial situations, such as unemployment or low wages, could limit their ability to apply lessons from financial education workshops. Financial coaches had the flexibility to tailor approaches, but workshops typically presented standardized curricula. Employers offering financial capability services to employees also grappled with providing services that align services with their employees' financial situations.
- *Participants' unmet needs:* Program participants often struggled with immediate needs and challenges in their personal lives, e.g., transportation, housing, childcare, healthcare, and access to technology, which impact their ability to engage with, persist in, and complete programs. While organizations addressed some of these needs, referrals were commonly made for housing, food, and healthcare services.
- *Benefits reductions:* As the benefits provided by many government programs decrease or end with an increase in income, many participants encountered a loss of benefits when transitioning to better jobs without sufficient income gains. Employment and financial coaches played a vital role in helping participants understand the impact, plan for benefit losses, and focus on the long-term benefits of employment.

The notable practices included:

- *Trauma-informed approaches:* Some organizations used trauma-informed approaches to address psychological barriers like fear, stigma, and shame, helping participants feel empowered and supported.
- *Staff with lived experience:* Several organizations employed staff with lived experience, including former participants, to better connect with and support participants.
- *Specialized financial products:* Some organizations offered specialized financial products tailored to the populations they serve, such as credit-building loans for those with no or thin credit histories.
- *Program length:* Some longer programs, lasting up to a year, addressed participant concerns over insufficient time to engage with program content. However, this approach required keeping participants engaged once their immediate needs were met and retaining participants who must balance participation in program activities with work hours and commitments.
- *Financial literacy for children*: Some organizations offered resources for participants to teach financial literacy to their children, promoting financial education in the family.

G. Directions for future research

The findings from this study can help inform future research to further explore the implementation and impact of programs that integrate financial capability services with E&T services. The report considers several types of potential future evaluations:

- *Impact Studies:* A number of potential experimental impact study designs are possible. They could involve tests of an entire integrated model; of financial capability services as an addition to E&T services, or vice versa; "factorial" experimental tests that compare one group receiving integrated services, one receiving only its E&T components, one receiving only its financial capability components, and a group that receives neither; or tests of specific design features. Impact studies will need to consider the different needs of each design based on sample size, ensure consistent client tracking and data collection, and account for the potential involvement of partners, among other considerations. The current study did gather consistent information on these factors and, anecdotally, the larger programs studied suggest that it is likely possible to identify programs large enough to support an experimental evaluation.
- *Implementation Studies*: Future research could delve deeper into program practices using additional tools and approaches (e.g., exploring theories of change and logic models, engaging in co-review or co-creation of theories, and using improvement science approaches). Implementation studies could also incorporate additional modes of information collection, such as direct observation, document reviews, analysis of program data, and more robust or systematic engagement with program participants.

- *Cost Studies*: Cost studies need to consider and account for staffing costs, staff time allocation between direct service provisions versus administrative tasks, dosage of services, and appropriate comparison groups.

In addition to overall studies of service integration, some specific topics that may merit more study include:

- "Factorial design" studies that can look at how the effects of E&T and financial capability services interact with each other and each contribute to outcomes separately and together for participants of an integrated model.
- Studies to explore different strategies to address challenges in providing financial capability services to participants facing short-term needs, through additional short-term supports or longer-term engagement strategies.
- Tests offering different types of financial capability services to E&T participants—say, financial education workshops versus coaching—and looking at if one leads to meaningfully better outcomes.
- Testing whether offering financial capability services to E&T participants leads to better outcomes than providing them with an amount of money approximating the cost of the services.
- A study to explore different strategies that coaches in such programs use to tailor services to participants facing such individual needs.
- A study to explore different approaches to ensuring that staff delivering financial capability services are well-qualified to do so; for example, looking at hiring staff with specific qualifications, providing internal training to existing staff, or hiring former program participants or other individuals with lived experience to deliver financial capability services.
- Considering participant-led study design reflecting the priorities of individuals receiving services from integrated programs.

Chapter 1: Overview and Background

Financial capability—a person's capacity to manage their financial resources effectively, based on financial knowledge, skills, and access to high-quality financial products and services—can be an important contributor to a person's economic outcomes and overall well-being. Financial capability interventions, i.e., financial education, coaching, and counseling, intend to improve economic outcomes by building financial skills, knowledge, and self-efficacy, as well as expanding access to resources and opportunities to promote positive financial behaviors. These interventions explicitly take into account the economic challenges people with low incomes face because of their limited financial resources.

Individuals with lower incomes may face a range of economic challenges and barriers to upward mobility; therefore, interventions aimed at building financial capability may improve their financial lives. Similarly, as some of the challenges they face may stem from low wages and limited employment opportunities, organizations providing employment and training (E&T) services aimed at improving employment outcomes may also contribute to the same goal of improving their financial situations. Though opportunities exist for E&T programs to deliver financial capability services to the people they serve, there is currently little evidence on how effective E&T programs are in this role.

In 2019, the Office of Planning, Research, and Evaluation (OPRE) in the Administration for Children and Families in the U.S. Department of Health and Human Services contracted with MEF Associates and their subcontractor, the Urban Institute, to conduct the "Integrating Financial Capability and Employment Services" study. The study's aim was to build more systematic evidence for policymakers and practitioners about the extent, forms, and practices of integrating and incorporating financial capability interventions in E&T programs serving adults with low incomes; to identify research gaps; and to help set up a basis for future research and evaluation of effectiveness in this area. The study employed a broad definition of "integration," focusing on organizations with both types of services, and explored the various ways and extent to which organizations offered the two types together.

The study focused on five primary research questions:

1. To what extent are E&T programs incorporating financial capability interventions or services?
2. Why are E&T programs incorporating financial capability interventions or services? What factors, including any state or local policies, drive this decision?
3. What are the key inputs, activities, and outputs of financial capability interventions as implemented within E&T programs?
4. What are the efforts to evaluate financial capability interventions or services in employment and training contexts to date?

5. What are the research gaps in these areas and options for future research and evaluation efforts to address them?

This report summarizes findings from the study, which come from a variety of data collection efforts, including a survey of organizations operating E&T programs that also offered some type of financial capability intervention; interviews with administrators, staff, partners, and participants from a smaller set of organizations, most but not all of whom had previously participated in the survey; interviews with employers offering financial capability services to their staff; and focus groups with administrators from a subset of the organizations that completed the survey.

The current chapter provides background information that underlies much of the report. It draws on one of this study's earlier publications—*Integrating Financial Capability into Employment Services: Literature Synthesis* (Treskon et al., 2021). The literature synthesis provided the groundwork for this study's approach. Its goal was to describe the current state of knowledge relevant to existing and potential efforts to deliver financial capability interventions together with E&T programs by synthesizing findings from across a range of relevant recent research literature. In addition, the synthesis defined key concepts related to financial capability interventions and E&T programs and provided a framework for understanding how financial concepts relate to each other.

The first section of this chapter reviews the synthesis's discussion of key concepts, most of which are used throughout this report. The second section provides a brief summary of its main findings from the literature. The third section gives an overview of the methodology used for data collection and analysis for the current study; more detail on methodology is in Appendix B. Finally, it discusses the structure of the report.

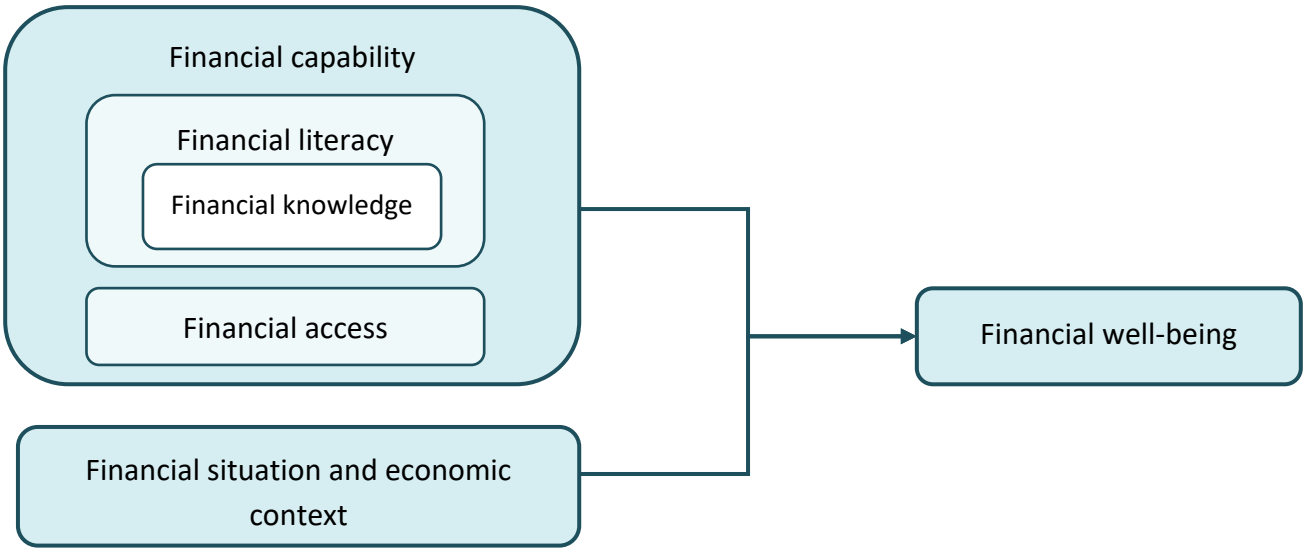
A. Definitions and concepts related to financial capability interventions

This subsection summarizes the ideas and terms we use in this report, focusing on a selection of important concepts in the field: *financial knowledge*; *financial literacy*; *financial access; financial capability*; *financial situation*; and *financial well-being*. Exhibit 1.1, originally presented in the literature synthesis, illustrates the relationships among these concepts. **Financial capability** refers to both a) a person's access to financial products and resources and b) the person's financial literacy—i.e., their ability to translate knowledge about financial concepts into practice. It is one component of the person's financial well-being, which is a state in which a person can meet financial obligations, feel secure, and make choices that allow for enjoyment of life. The other components of financial well-being include the person's financial situation and the economic context, which is also influenced by their relation to broader historical and structural patterns of inequality.[2]

[2] For a discussion of this context, see Baradaran, Mehrsa (2017). *The Color of Money: Black Banks and the Racial Wealth Gap.* Cambridge, MA: Harvard University Press; Sanchez-Moyano, Rocio and Bina Patel Shrimali. (2021)

We provide more details about each concept below.

Exhibit 1.1: Relationship Among Financial Concepts



Financial knowledge refers to the understanding of financial concepts, such as compound interest (Robb & Woodyard, 2011). Decisions and actions people take related to saving and asset-building or to taking on credit and borrowing (and the economic outcomes from those decisions) depend on a person's understanding of financial concepts and access to resources for learning about these concepts. Literature reviewed in the synthesis found evidence of low levels of financial knowledge among people in the United States, and that adults with lower incomes on average display lower levels of financial knowledge than the population as a whole.

Financial literacy refers to "the skills, knowledge, and tools that equip people to make individual financial decisions and actions to attain their goals" (U.S. Financial Literacy and Education Commission, 2020). It builds on financial knowledge by linking the abilities to make sense of and use economic information to inform personal financial choices (Lusardi & Mitchell 2014) and make effective financial decisions. The synthesis cites evidence of positive relationships between financial literacy and important economic outcomes.

"The Racialized Roots of Financial Exclusion." *Community Development*. San Francisco: Federal Reserve Bank of San Francisco, available at https://www.frbsf.org/community-development/publications/community-development-investment-review/2021/august/the-racialized-roots-of-financial-exclusion/; Al-Bahrani, A., Weathers, J., & Patel, D. (2019). "Racial differences in the returns to financial literacy education." *Journal of Consumer Affairs*, 53(2), 572-599, available at https://doi.org/10.1111/joca.12205; Angrisani, M., Barrera, S., Blanco, L. R., & Contreras, S. (2021). "The racial/ethnic gap in financial literacy in the population and by income." *Contemporary Economic Policy*, 39(3), 524-536, available at https://doi.org/10.1111/coep.12507 ; or Blanco, L., Garcia, C., & Gutierrez, R. (2022). Systematic review of racial, ethnic and gender differences on financial knowledge in the United States. *School of Public Policy Working Papers*; available at https://digitalcommons.pepperdine.edu/sppworkingpapers/80/.

Financial access refers to a person's ability to access and take advantage of financial products and resources that have the potential to improve their financial situation. This can refer to access to mainstream financial services, such as those provided by commercial banks, savings and loan associations and credit card providers, or to a range of targeted programs, e.g., incentivized savings accounts, asset- or credit-building programs, and tax preparation services. People with low incomes may face barriers to financial access; further, persistent disparities in access exist for people of color.

Financial capability can be understood as a function of a person's financial knowledge, literacy, and access and is moderated by the resources and opportunities to which individuals have access. Financial capability refers to a person's capacity to manage their financial resources effectively, based on financial knowledge, skills, and access to high-quality financial products and services, such as checking and savings accounts, retirement accounts and other restricted savings accounts, and direct deposit options (Johnson & Sherraden, 2007; Sherraden, 2010; Administration for Children and Families, 2016; Department of the Treasury, 2021). The goal of understanding and improving financial capability is based on the premise that increasing financial capability leads to changes in financial behaviors. In turn, those behaviors improve financial outcomes and an individual's understanding of financial security.

Financial situation refers to the objective facts of someone's financial circumstances, factoring in the broader economic context within which someone lives, specifically the ways in which opportunities and resources vary across individuals and communities. Typical markers of a person's financial situation include financial resources, the ability to make ends meet, material hardship, and credit standing (Consumer Financial Protection Bureau, 2018).

Financial well-being is the concept referencing the self-understanding of one's financial situation. The Consumer Financial Protection Bureau (CFPB, 2015) defines financial well-being as "a state of being wherein a person can fully meet current and ongoing financial obligations, can feel secure in their financial future, and is able to make choices that allow enjoyment of life." Financial well-being is determined by financial behaviors (e.g., money management and financial goal setting) and economic outcomes (e.g., employment and earnings) in the context of external factors such as general economic conditions and historical and structural discrimination and inequality. The CFPB names four main aspects of financial well-being: control over daily finances, the ability to absorb a financial shock, being on track to meet financial goals, and having the freedom to make financial choices allowing one to enjoy life. Financial well-being can be understood as an individual outcome determined by the combination of an individual's financial capability, their personal financial situation, and their economic context.

To help increase the financial capability, and ultimately the financial well-being, of adults with low incomes, service providers have implemented a variety of interventions that focus on different elements of financial capability. Table 1.1, also drawn from the literature synthesis, lists and provides short definitions of common interventions designed to increase financial well-being. Financial education focuses on financial knowledge. Financial counseling and coaching

focus on financial literacy. An array of programs and services focus on financial access, including incentivized savings and asset-building initiatives, programs that support access to public benefits and provide tax preparation services, and credit-building services.[3]

Table 1.1: Types of Financial Capability Interventions

Term	Definition or description
Interventions Targeting Financial Knowledge	
Financial education	Workshops, classes, or curricula covering specific topics, such as money management, how to reduce debt, or how to manage credit
Interventions Targeting Financial Literacy	
Financial counseling	Multiple one-on-one sessions to address specific financial issues the participant is facing; session goals are defined by the counselor
Financial coaching	Multiple one-on-one sessions that focus on topics related to achieving the financial goals set by the participant
Interventions Targeting Financial Access	
Access to financial products	Providing access to (usually low-cost) financial products, such as checking and savings accounts
Incentivized savings programs	Programs that provide incentives or subsidies to promote and support saving, either for emergencies or longer-term goals
Asset-building programs	Programs, such as Individual Development Accounts (IDAs), that support investments in assets such as a home or small business
Access to credit	Providing access to low-cost (usually small dollar) loans to those who may not qualify for traditional forms of credit
Credit-building programs	Programs that help people who have poor, thin, or no credit build credit with, for example, opening and remaining current on new lines of credit
Access to public benefits	Interventions that assist qualifying individuals (usually with low incomes) in getting public safety-net and social insurance benefits
Tax preparation services	Services, such as those offered at Volunteer Income Tax Assistance (VITA) sites, that provide free or reduced-cost tax preparation services

[3] The study team approached data collection by considering distinctions between interventions targeting various aspects of financial capability. For instance, questions about interventions for financial knowledge or literacy differed from those about interventions for financial access in the survey. Consequently, certain sections of this report may focus exclusively on one aspect or the other.

B. Previous research and practice findings relevant to integrated employment and financial capability interventions

The literature synthesis reviewed research on the integration of E&T services and financial capability interventions and their effects on economic outcomes for adults with low incomes. Its key findings included:

- A growing body of evidence suggests that financial capability programs and services may have positive effects on participants' financial well-being, but program models vary widely;
- Evidence and theory from both the financial capability literature and research on low-wage work and employment services suggest numerous ways in which financial capability interventions and E&T programs might work together to improve financial and economic outcomes for adults with low incomes; but
- There is limited research specifically examining the implementation and effectiveness of programs that integrate financial capability interventions into E&T programming.

The remainder of this section provides additional background on each of these findings. By providing context for the current study, the findings helped the research team identify potential organizations for the survey, laying the foundation for the study's primary data collection. The findings also influenced decisions about the design of the data collection instruments. Further discussion, including references to a broader set of relevant studies, can be found in the synthesis report.

i. Evidence on financial capability interventions

The literature synthesis reviewed studies on the effectiveness of financial capabilities interventions from 2010 to 2020, including systematic reviews and meta-analyses that incorporated findings from earlier studies and emerging research on integrated approaches combining E&T and financial capability services. While not itself a systematic review, it synthesized findings from across a range of relevant research literatures investigating factors relevant to integration of E&T services and financial capability interventions.

Some of the findings for various types of financial capability interventions included:

- A growing body of evidence suggests financial education has positive effects on financial well-being. A recent meta-analysis of 76 randomized control trial studies (Kaiser, Lusardi, Menkhoff, & Urban, 2020) found that financial education interventions have large, positive effects on financial knowledge and financial behaviors such as borrowing,

saving, and budgeting. Effects for individuals with low incomes were similar to those for the general population.[4]

- The available evidence on financial counseling is promising, though there have been relatively few rigorous evaluations. Some studies have found positive effects of financial counseling on debt outcomes, including for financially distressed individuals (Wiedrich et al., 2014; Roll & Moulton, 2016). Another study found suggestive evidence of positive effects of counseling on financial health (Kim, Garman, & Sarhaindo, 2003). These findings are promising but cannot be interpreted as causal because the effects might have been due to other factors. Some commentators have criticized the uneven quality and implementation of financial counseling programs (Loonin & Plunkett, 2003; Lander, 2018). In addition, efforts have been made to highlight promising practices among these interventions (Lander, 2018; Collins, 2007; Wiedrich, et al., 2014).

- Rigorous evidence for the effects of financial coaching was historically limited (Center for Financial Security, 2015), but a few recent studies show positive effects. A randomized controlled trial evaluation of two financial coaching programs serving people with low and moderate incomes found several positive effects associated with even limited use of coaching services at either program, including savings, credit scores, and debt (Theodos et al., 2015; Theodos, Stacy, & Daniels, 2018). Another randomized controlled trial study of a financial coaching program offered to young adults found positive effects on credit scores (Modestino, Sederberg, & Tuller, 2019).

- The literature synthesis discussed a variety of other financial capability interventions that target financial access for people with lower or moderate incomes. These include interventions that promote access to low-cost, high-quality financial products and services and aim to reduce reliance on alternative (nonbank) financial services; those helping people build savings for emergencies through incentives or behavioral approaches (e.g., reminders or prompts at tax time); those that support access to credit or credit building; those that increase access to public benefits; and those that support households with low incomes with tax filing and accessing the Earned Income Tax Credit (EITC), such as Volunteer Income Tax Assistance (VITA) programs. The current level of understanding varies regarding the effectiveness of these different interventions.

ii. Ways in which financial capability interventions and employment services may work together to improve financial outcomes

Both practice and research have found positive relationships between a person's financial capability and their employment. Employment provides people with opportunities and resources to make new financial decisions, which require financial capability; thus, interventions to build financial capability are highly relevant within employment contexts. For

[4] Recent research has found that returns on financial literacy education may be higher for whites than minorities; see Al-Bahrani, A., Weathers, J., & Patel, D. (2019). Racial differences in the returns to financial literacy education. *Journal of Consumer Affairs*, 53(2), 572-599. https://doi.org/10.1111/joca.12205.

example, earned income might make it possible to save for emergencies or build or improve credit. At the same time, these contexts can also create related needs for deeper financial skills and knowledge. When people begin earning or increase their income, they may need to learn new financial information or skills (i.e., improve their financial capability) to manage their daily finances.

For people with low incomes, employment can create additional opportunities and needs for building financial capability. Emerging research from psychology and behavioral economics connects financial stress to financial decision making, suggesting that under conditions of financial distress, people may lack the capacity to address the bigger picture of their financial well-being and primarily focus on more immediate needs (Mani et al., 2013; Mullainathan & Shafir, 2013). These findings suggest that if employment provides a greater sense of financial security, people may be freer to assess their financial situation and act to improve their longer-term financial capability.

Additionally, the way employment and earnings interact with public programs can increase financial challenges. For example, earnings from work can affect eligibility and benefit calculations for programs such as Temporary Assistance for Needy Families (TANF) and the Supplemental Nutrition Assistance Program (SNAP) in complex ways that can be difficult to understand and manage (Romich, 2006; Ruder et al., 2020). Employment and earned income will also lead many people with low incomes to qualify for the EITC, a federal tax credit for working individuals with low and moderate incomes; however, taking advantage of the credit involves its own challenges and opportunities related to financial capability, including the act of filing a tax return and the process by which the credit is delivered as a lump-sum (Bhargava & Manoli, 2015; Tufano, Schneider, & Beverly, 2005; Azurdia & Freedman, 2016; Maag, Congdon, & Yau, 2021). Individuals with low incomes who have child support obligations, for example, may find that accepting employment and establishing earnings requires managing or modifying income withholding. Given the ways in which public benefits (and obligations) can affect an individual's financial resources, they can be an important contributor to financial capability. Many organizations providing financial capability services also provide access to public benefits services, or interventions that assist qualifying individuals (usually with low incomes) in obtaining public safety-net and social insurance benefits.

The financial capability of workers with low incomes also potentially affects employment and earnings outcomes on the job. Workers with greater financial capability, for example, may be more resilient to financial shocks that can create barriers to job retention, such as unexpected transportation, health care, and child care expenses. Growing literature shows the intersections of financial resilience with financial literacy (Deevy et al., 2021; Klapper & Lusardi, 2020; Salignac et al., 2019; Lusardi et al., 2021). Finally, the financial capability of workers can also affect their earnings over the longer term, to the extent that investing in education and skill building to raise wages requires financial knowledge, skills, and resources.

iii. Examples and evidence from integrated programs

Finally, the literature synthesis discussed several previously documented examples of E&T programs that include financial capability interventions. It noted that there is limited rigorous evidence on the effects of these programs. Some of the examples it discussed included:

- **The Center for Working Families (CWF)/Working Families Success Network (WFSN) model.** Developed and promoted by the Annie E. Casey Foundation, this approach combines workforce services, financial literacy education and coaching, and support for accessing public benefits (Gewirtz & Waldron, 2013). The model served as the basis of the Local Initiatives Support Corporation's (LISC) Financial Opportunity Centers (FOCs), more than 100 of which operate across the U.S. An evaluation that used quasi-experimental methods to compare FOC participants with similar job seekers who solicited services from the public workforce system found favorable impacts on a variety of outcomes, including year-round employment, credit building, on-time payments of loans, and having medical or legal debt, child support arrears, or back taxes. The evaluation found only modest impacts for participants' net worth and net income (Roder, 2016). Several descriptive studies of related programs built on the CWF model provide suggestive evidence that bundling multiple services supporting an individual's employment and financial capability may be related to more positive benefits for participants (e.g., Hwang & Sankaran, 2014; Allen & Li, 2015).

- **Integrated programs serving TANF participants.** The synthesis discussed a small number of studies on integrated programming targeting current or former TANF recipients. A randomized evaluation of the New York City Parks Opportunity Program (POP), in which adults exiting TANF were engaged in full-time employment, found modest improvements in some financial outcomes for participants who were offered one-on-one financial counseling sessions and an opportunity to apply for a low-fee bank account. Improvements included a decline in delinquent debt owed to debt collectors and lower bank fees paid. The evaluation found no effects on other outcomes, such as overall debt balances or credit scores (Collins & Nafziger, 2019). As noted in the synthesis, there are other rigorous evaluations of employment programs serving TANF participants that also include financial capability components—including training programs with financial literacy components and employment coaching programs that offer financial coaching as part of their suite of services—but the studies on those programs do not typically focus on the financial capability components or provide evidence on the impact of them as components.

- **Integrated programs in workforce agencies.** Similarly, the synthesis noted a few documented examples of integrated programs operating within American Job Centers (AJCs), which are funded by the U.S. Department of Labor's Employment and Training Administration and provide free help to job seekers for a variety of career and employment-related needs. The Consumer Financial Protection Bureau's (CFPB) Financial Coaching Initiative provided coaching services at AJCs or community

organizations serving veterans. The Armed Forces Services Corporation (AFSC) operated the initiative and employed the financial coaches. This approach built a group of trained coaches and allowed for systemic training and credentialing, but coaches were less directly integrated in the organizations with which they worked. Another pilot program in Boston trained career coaching providers to include financial capability coaching. An implementation report that also looked at basic client outcome data concluded that the approach of career coaches providing financial capability coaching showed some promise (Leung & Miley, 2013).

- **Integrated programs in other contexts.** Examples of other programs that include both employment and financial capability services have occurred within the Department of Housing and Urban Development's (HUD) Family Self-Sufficiency (FSS) program (Collins, 2013; Santiago, Galster, & Smith, 2017); the Child Support Noncustodial Parent Employment Demonstration, a national demonstration of child support-led employment programs that, in some instances, included financial capability services for parents who were behind in their child support payments (CSPED, 2015; Noyes et al., 2018); and parenthood and healthy relationship programs (e.g., the Career STREAMS program, which included both a job and career advancement program and a financial planning curriculum) (Friend, Zaveri, & Feeney, 2020).

The literature synthesis provides additional detail on these and other studies. Overall, they illustrate that while there is a growing research base related to integration of E&T and financial capability services, more evidence building is needed to support evidence-based policy and program decisions regarding program integration.

C. Methodology

This study used a variety of methods to gather data to build a better understanding of organizations that integrate financial capability interventions into E&T programs serving adults with low incomes. We provide a description of the different modes of data collection and how they relate to each other below, as well as a summary in Exhibit 1.2. Please see Appendix B for more detail about each of these data collection methods.

- **Survey.** The goal of survey was to collect information about high level characteristics of E&T programs incorporating financial capability interventions, such as what services organizations operate, which services were integrated with each other, details on partnerships, and any past or planned evaluations of the programs. The study team administered the online survey to a non-representative sample of organizations providing E&T services to populations with low incomes that also offered at least one type of financial capability service. The team identified the organizations through landscaping efforts that included consultations with experts, internet searches, scans of literature, and a call for nominations. Sixty-two organizations submitted complete responses, and five submitted partial responses. Most operated some type of federal E&T program, with the most common being the Workforce Innovation and Opportunity

Act (WIOA) Adult Program, the Supplemental Nutrition Assistance Program (SNAP) Employment and Training program, and services through the Community Services Block Grant. The survey took place between February 2022 and June 2022.

- **Phone interviews.** The goal of the phone interviews was to gather more detailed information on services than the survey , motivations for offering integrated services, populations served, staffing, challenges encountered, and plans for evaluating integrated E&T and financial capability services. The study team conducted semi-structured interviews via video conferencing with administrators of 15 organizations offering both E&T and financial capability services, 13 of which were with organizations that participated in the survey. The team selected organizations for the calls that included a variety of types of E&T and financial capability services, agency types, and degrees of service integration. The interviews took place between August 2022 and January 2023.

- **Site visit interviews.** The goal of the site visits was to collect in-depth qualitative information from multiple perspectives and expand on the topics addressed in the phone interviews. The study team conducted virtual site visits with four of the organizations that participated in the phone interview, chosen for their innovative approaches and complexities within the programs that could not be captured during a single phone interview. Site visits involved interviews via video conferencing with program administrators, staff, and representatives of partner organizations. The site visits took place between December 2022 and May 2023.

- **Participant interviews.** The goal of the interviews with participants was to explore their perspectives about integrated programs. The study team interviewed 12 participants from the four programs that took part in the site visits. Points of contact at each program helped arrange the interviews. Participants received a $30 gift card for their participation. The interviews took place between February 2023 and June 2023. Topics included the participants' reasons for seeking services from the organizations, E&T and financial capability services received, the participants' perspective on the services, and their experiences of the integration of the two types of services. Because the E&T programs helped the team recruit the participants, those interviewed may have reported more favorable views of these services than is typical.

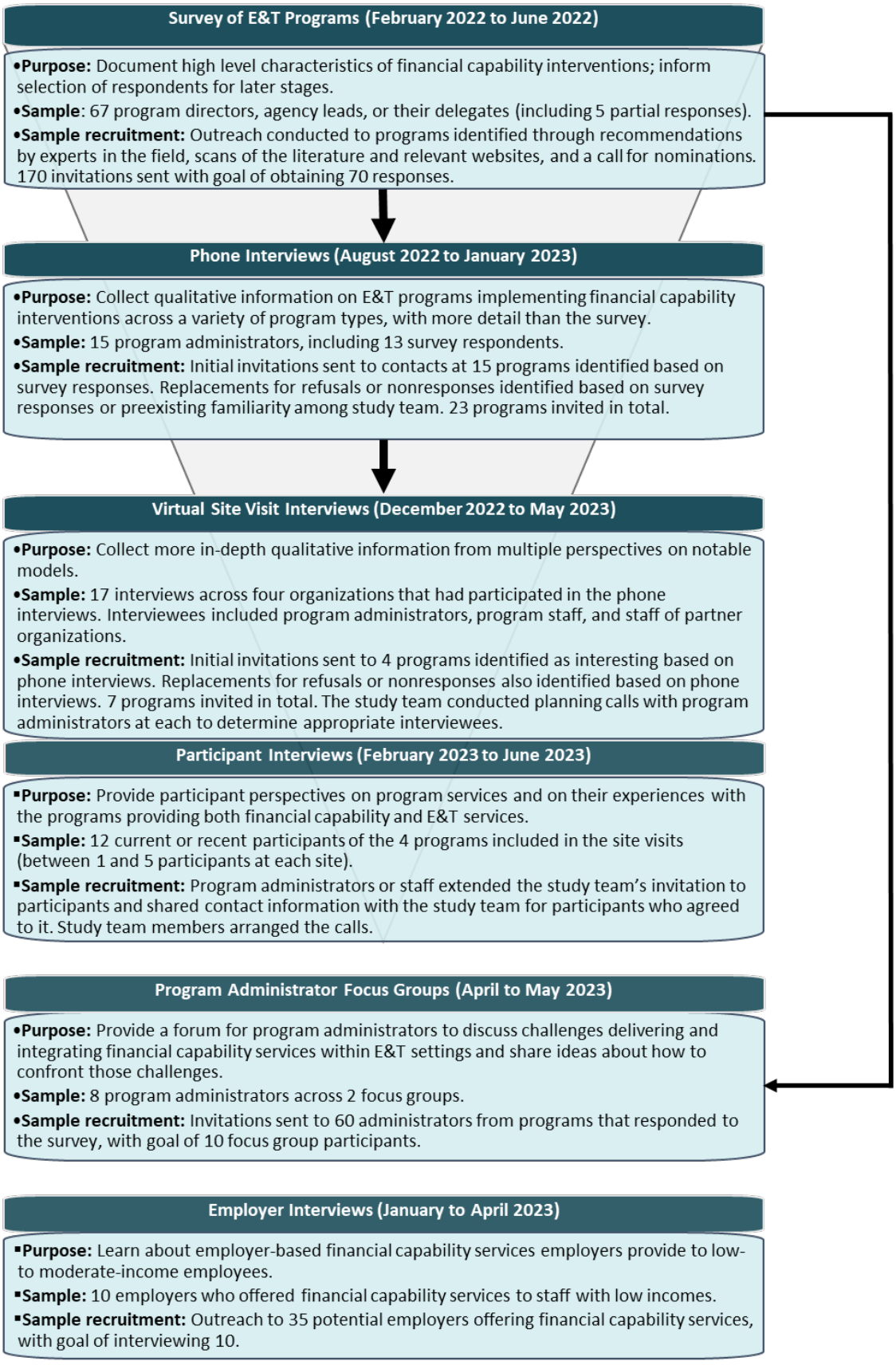
- **Employer interviews.** The goal of the employer interviews was to learn about financial capability services that employers offered their employees and their motivations for offering them. The study team conducted phone interviews with 10 employers who offered financial capability services to staff with low to moderate incomes. The study team identified employers through a review of the expert consultation notes and the literature review conducted earlier in the project; consultation with OPRE, MEF Associates, and Urban Institute staff; outreach to partners and organizations that work with employers for their recommendations; and requests for additional

recommendations from the employers interviewed. The interviews took place between January 2023 and April 2023.

- **Administrator focus groups.** The goal of the focus groups was to gather more information on challenges regarding integrating services and ways to address them. The study team conducted two focus groups that included a total of eight administrators of programs integrating E&T and financial capability services, most of whom had not been involved in the site visits. The focus groups took place in April 2023 and May 2023. The study team asked program administrators to discuss their own experiences with integrating services and encouraged them to elicit ideas from each other about how to confront challenges or build upon successes.

Analysis of the survey data consisted of producing basic descriptive statistics (e.g., frequencies, crosstabs). To analyze data from the interviews, the study team used qualitative analysis software to code transcripts from the interviews. They then reviewed the data as it was organized according to these codes to identify common themes and trends.

Exhibit 1.2: Modes of data collection



Orientation to the report

This report continues in Chapter 2 by providing an overview of the organizations studied and the E&T services they provide. Chapter 3 describes the types of financial capabilities those organizations offer. Chapter 4 explores the reasons those organizations provided for choosing to deliver E&T and financial capability services together, as well as the nature of partnerships they established to do so. Chapter 5 discusses a set of dimensions on which organizations differ in terms of their integration of E&T and financial capability services and identifies common models of integration among the organizations studied. Chapter 6 presents details on the ways in which organizations have provided the services together. Chapter 7 discusses challenges organizations have faced in their efforts to integrate E&T and financial capability services, as well as some potential approaches for addressing those challenges. Chapter 8 presents participants' perspectives on programs that integrate E&T and financial capability services. Chapter 9 presents recommendations for organizations seeking to improve programs that include both types of services. Finally, Chapter 10 discusses key takeaways from the study and suggests potential directions for future research.

Chapter 2: Organizations integrating financial capability and E&T services

The organizations invited to participate in the survey and other study data collection efforts, while not a representative sample, reflect a process to identify a range of organizations providing both E&T and financial capability services. The goal of this type of sampling process was to learn about the variety of service integration approaches used by organizations that provide both services. Some key characteristics of the sample of organizations include:

- Geographic diversity; the survey received responses from organizations in 25 states, plus the District of Columbia.
- A variety of types of funding; the sample represented a mix of non-profit, for-profit, government-funded agencies and educational institutions.
- Administration of a range of federally-funded programs, including WIOA Adult and Dislocated worker services, Community Service Block Grant services, SNAP Employment and Training programs, and TANF employment services.
- A core set of E&T services, with more than three-quarters of survey respondents reporting they offer each of the following types of services: employment counseling or coaching, soft skills training, job search assistance, and case management.
- Service to diverse populations with a shared focus on underserved populations with low incomes.

The first section of this chapter describes the 62 organizations surveyed, including summary statistics from the survey on E&T programs offered, E&T services delivered, and populations served. The second section summarizes the 15 organizations that participated in the phone interviews or site visits:

1. Amos House
2. Cities for Financial Empowerment (CFE) Fund
3. Equus Workforce Solutions
4. Instituto del Progreso Latino
5. International Rescue Committee (IRC)
6. JEVS Human Services
7. LIFT
8. Mission Economic Development Agency (MEDA)
9. Opportunity Council
10. Owens Valley Career Development Center

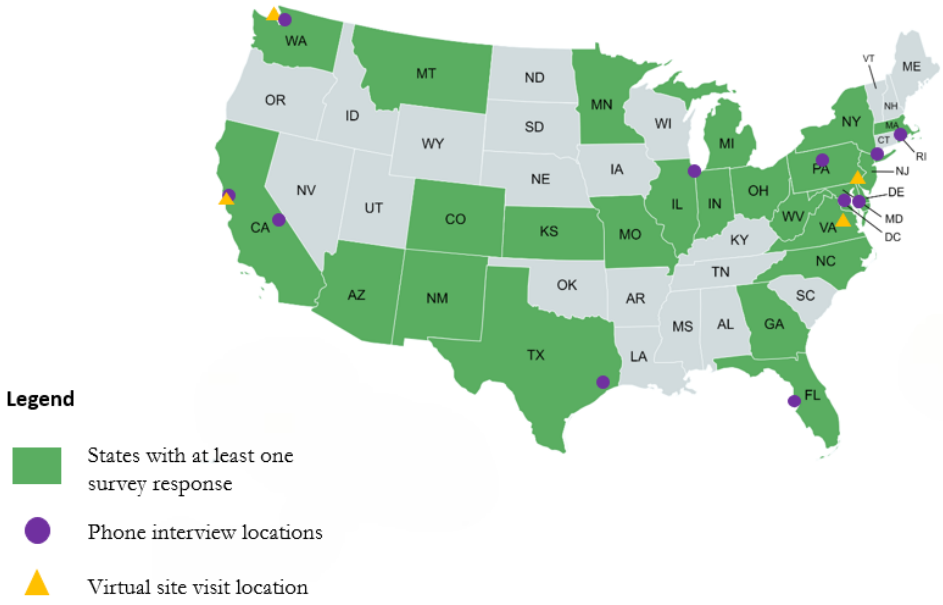
11. People Empowering and Restoring Communities (PERC)
12. SparkPoint Contra Costa
13. TRAC Associates
14. Wesley Community Center
15. WorkSource Montgomery

A. Summary of organizations

The 62 organizations surveyed included non-profit organizations focused on dismantling poverty and promoting economic well-being, for-profit and government-funded workforce development agencies, human services agencies that typically deliver employment services (e.g., TANF employment services providers), and educational institutions (including community colleges and one university).

The organizations were also geographically diverse, representing the Midwest, South, Northeast, and West, and vary in scope, including local, state, regional, national, and global. The map in Exhibit 2.1 shows the 25 states, plus the District of Columba, in which organizations that responded to the survey were located, as well as the locations of the phone interviews and virtual site visits.

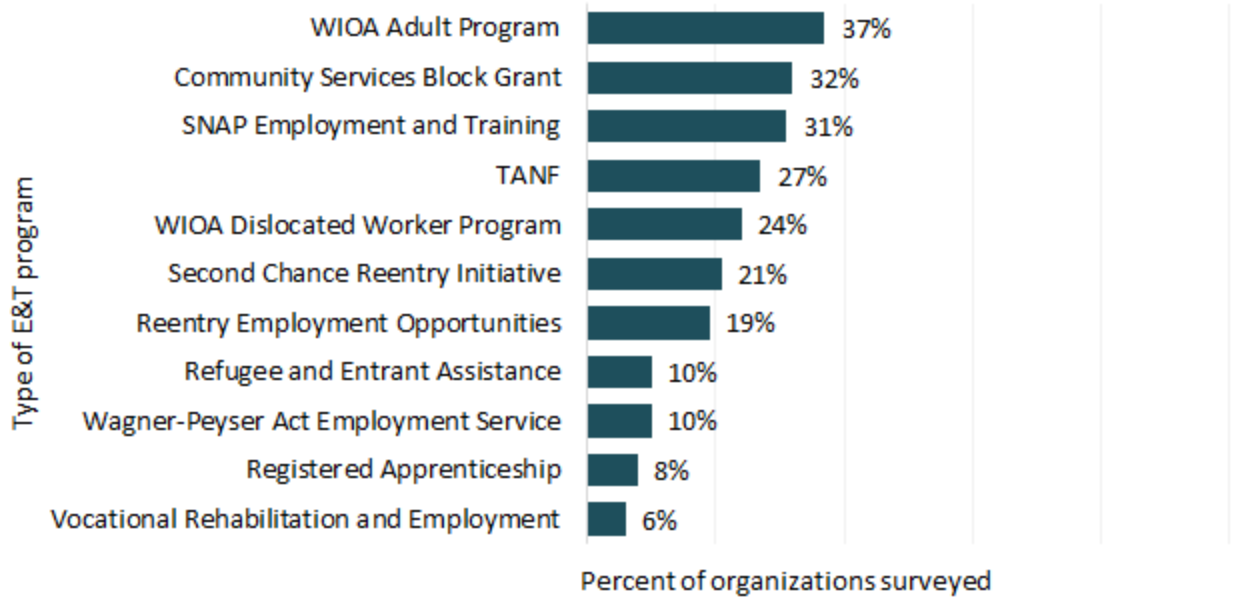
Exhibit 2.1. Geographic focus of organizations in the study sample



The survey responses show that organizations implemented a variety of federal employment and training programs. Exhibit 2.2 shows that the most common federal programs operated by the organizations surveyed included the WIOA Adult Program (37 percent of programs

surveyed), the Community Services Block Grant (32 percent), and the SNAP Employment and Training program (31 percent).

Exhibit 2.2. E&T programs offered by organizations surveyed



Source: Findings from MEF analysis of Integrating Financial Capability and Employment Services (InFin) survey data collected on 62 organizations.

The organizations also offered a robust variety of employment services. Exhibit 2.3 shows that the vast majority of the organizations surveyed offered employment counseling or coaching (87 percent of organizations surveyed), soft skills training (82 percent), job search assistance (82 percent), case management (77 percent), and employment retention services (71 percent). More than half of the organizations surveyed also offered occupational training (61 percent) and job development (58 percent). Exhibit 2.4 provides illustrative examples from the organizations we interviewed.

Exhibit 2.3. E&T services offered by organizations surveyed



Source: Findings from MEF analysis of InFin survey data collected on 62 organizations.

Exhibit 2.4. Examples of E&T services

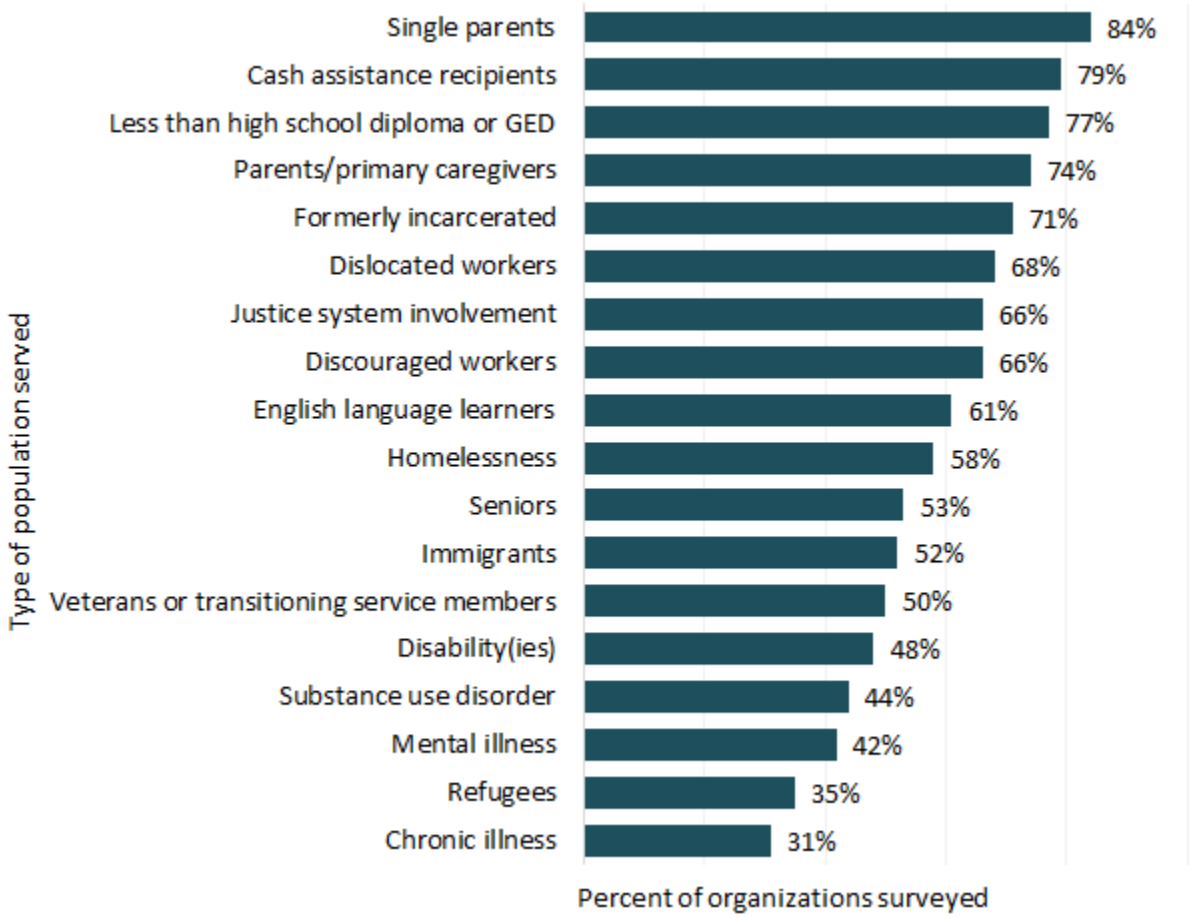
Employment counseling or coaching	In the Financial Opportunity Center operated by Wesley Community Center, employment coaches met regularly with clients to assess employment needs and connect them to education and training opportunities.
Job search assistance	Opportunity Council's E&T specialists assisted with creating resumes and cover letters, job searches, job applications, and interview preparation.
Soft skills training	The Workforce Essentials program offered by Amos House was required for all participants enrolling in job training and was a bridge program that provided instruction on foundational math, reading, and computer skills as well as work readiness topics like communication skills and self-management.
Job development	Dreamcatchers, a partner of SparkPoint Contra Costa, worked with businesses in the community to develop employment opportunities for clients with disabilities and other limitations.
Occupational or sectoral training	In the Career Education Program offered by Owens Valley Career Development Center, participants could receive training in several different sectors including allied health, construction trades, and information systems.
Employment retention	JEVS Human Services provided services to participants after they became employed (for up to a year after placement), including support services such as resource navigation and incentives for maintaining employment.
Case management	The American Job Center operated by WorkSource Montgomery provided case management which included career assessments and the development of individualized employment plans.
Work-based training	In PERC's Second Chance Tiny Homes programs, participants could earn Carpentry, Occupational Safety, and Health Administration Certifications at Pinellas Technical College while getting paid part-time for hands-on training.

The organizations surveyed served diverse populations, but all offered at least some E&T services focused on adults with low incomes. Exhibit 2.5 shows that the vast majority of organizations surveyed reported serving single parents (84 percent of organizations surveyed), cash assistance recipients (79 percent), individuals with less than a high school diploma or GED (77 percent), or parents or primary caregivers (74 percent).[5] Some organizations had particular focuses on certain populations, including:

[5] The survey asked respondents to select all special populations served by the organizations they operate (multiple-choice survey question). Respondents from organizations that reported serving single parents may not have chosen to also report serving parents and primary caregivers.

- Refugees, immigrants, and English language learners
- Latino communities
- Populations with justice system involvement
- Tribal populations

Exhibit 2.5. Populations served by organizations surveyed



Source: Findings from MEF analysis of InFin survey data collected on 62 organizations.
Note: The survey asked respondents to select all special populations served by the organization they operate (multiple-choice survey question). Respondents from organizations that reported serving single parents may not have chosen to also report serving parents and primary caregivers.

B. Summary of organizations that participated in phone interviews and site visits

The organizations selected for more intensive qualitative data collection through phone interviews and virtual site visits included various types of organizations that offered a variety of the E&T programs discussed above. They also demonstrated in more detail the range of models through which providers of E&T services additionally provide financial capability services.

Exhibit 2.6 provides an overview of the 15 organizations selected for phone interviews. Appendix A provides more detailed profiles using information gathered from the interviews, the survey, and other publicly available data such as websites and annual reports. Four of the 15 organizations also participated in virtual site visits, and their summaries included information gathered during the site visit interviews. The detailed profiles in the appendix summarize the types of employment services offered by the organizations, the populations they served, and how financial capability services fit within their model.

Exhibit 2.6. Profiles of organizations interviewed

Name	Location	Profile
Amos House	Providence, Rhode Island	A SNAP E&T provider that used the Financial Opportunity Center (FOC) model developed by Local Initiatives Support Corporation (LISC), a national non-profit that supports a network of organizations providing employment and financial capability services. It provided E&T services and financial coaching in-house, along with access to income supports, a residential recovery-based shelter program, and permanent supportive housing.
Cities for Financial Empowerment (CFE) Fund	New York, New York	A non-profit organization focused on embedding financial empowerment strategies, particularly financial counseling, into local policies and programs through collaborations with local governments. Some initiatives focused on linking employment and small business support with financial capability.
Equus Workforce Solutions	North-central Pennsylvania	A Pennsylvania location of a national workforce services contractor that provided both financial education and E&T services in-house, including to recipients of TANF or WIOA services.
Instituto del Progreso Latino	Chicago, Illinois	A non-profit organization that provided education and employment services to Latinos with low incomes. It received funding from LISC, used the FOC model, and provided both E&T and financial capability services in-house.
International Rescue Committee (IRC)*	Richmond, Virginia	A non-profit that largely served immigrants and refugees which used the LISC FOC model and provided both E&T and financial capability services in-house.
JEVS Human Services*	Philadelphia, Pennsylvania	A not-for-profit organization that provided E&T services in-house and financial capability services through partners, including financial education, financial counseling, and credit counseling.
LIFT	Washington D.C.	A non-profit that served parents with low incomes and provided both E&T and financial capability coaching in-house.

Mission Economic Development Agency (MEDA)	San Francisco, California	A non-profit that served Latino families and provided both E&T services and financial coaching in-house.
Opportunity Council*	Island, San Juan, and Whatcom counties in Washington State	A non-profit Community Action Agency that provided E&T services, financial education, and financial coaching in-house.
Owens Valley Career Development Center (OVCDC)	Owens River Valley, California	A tribal consortium that primarily administered Tribal TANF and Head Start programs and provided both E&T services and financial education in-house.
People Empowering and Restoring Communities (PERC)	Pinellas County, Florida	A non-profit that largely served the re-entry population and provided housing, E&T services, financial education, and financial coaching in-house.
SparkPoint Contra Costa*	Richmond, California	A partnership of organizations overseen by United Way Bay Area in which local providers offered both financial capability and E&T services.
TRAC Associates	Western Washington	A for-profit employment services agency that provided E&T services in-house and financial education through partners.
Wesley Community Center	Houston, Texas	A non-profit that used the LISC FOC model and provided E&T services, financial education, financial coaching, and credit counseling in-house, as well as financial counseling through a partner.
WorkSource Montgomery	Montgomery County, Maryland	A non-profit that ran Montgomery County's American Job Center site, which provided E&T services in-house and financial capability services through collocated partners.

Note: Asterisks indicate organizations that participated in virtual site visits.

Consistent with the study sample selection process, the organizations interviewed largely reported serving individuals and families with low incomes, including individuals receiving public benefits (often TANF or SNAP). Some of the organizations focused on serving particular populations. For example, IRC served immigrants and refugees, Instituto del Progreso Latino and MEDA served Latino immigrants and families, and PERC served justice-involved individuals. Other examples of special populations served include young people, individuals with less than a high school diploma or GED, parents, people with substance use disorders or mental health challenges, veterans, undocumented populations, unbanked individuals, individuals who had experienced domestic violence, and unhoused individuals. Some organizations, such as SparkPoint Contra Costa, were able to provide a succinct overview of their client base:

> *[Our] typical client is a single woman of color with a high school diploma and some college, one class at a community college. Half of the women have children. Half are school age. A typical client comes in with an annual income of less than $10,000, which here in the San Francisco Bay Area is not a lot of money.*

Beyond the organizations' overall client bases, some organizations had specific eligibility requirements for E&T or financial capability services that affected who their programs served.

Some organizations brought up the challenges of serving immigrant populations, noting that due to program requirements and structures, they could only serve individuals who were eligible to work (i.e., not undocumented immigrants). For example, some programs had a required employment component, so being eligible to work was necessary to engage in any of the program services.

In terms of race and ethnicity, according to the interviews, many organizations reported serving predominantly people of color, particularly Black and Latino individuals. In addition, some sites reported serving primarily women of color.

Chapter 3: Financial capability services offered in integrated programs

This chapter presents information on the extent to which E&T programs that participated in the study incorporated various types of financial capability services and describes some of the services delivered. Key findings include:

- Financial education (i.e., workshops, classes, or curricula covering financial topics) was the most common financial capability service offered by the organizations that responded to the survey, but about half also offered financial coaching or counseling. Financial literacy services (i.e., services that encompass financial education, financial coaching, and financial counseling) were offered more often than services supporting access to financial products.
- Financial education was typically offered through workshops provided internally or through external partners. The content of the workshops varied from site to site depending on regional needs and, in some cases, were based on the participants' interests.
- Financial coaching was typically one-on-one, goal-focused, and personalized to participants' needs. Coaching often served as an entry point to a broader suite of financial capability services after identifying those needs; providers sometimes paired coaching and financial education workshops.
- Access to financial products was commonly offered through partners (typically banks and credit unions) and frequently included checking and savings accounts, low-cost loans, and tax preparation assistance.

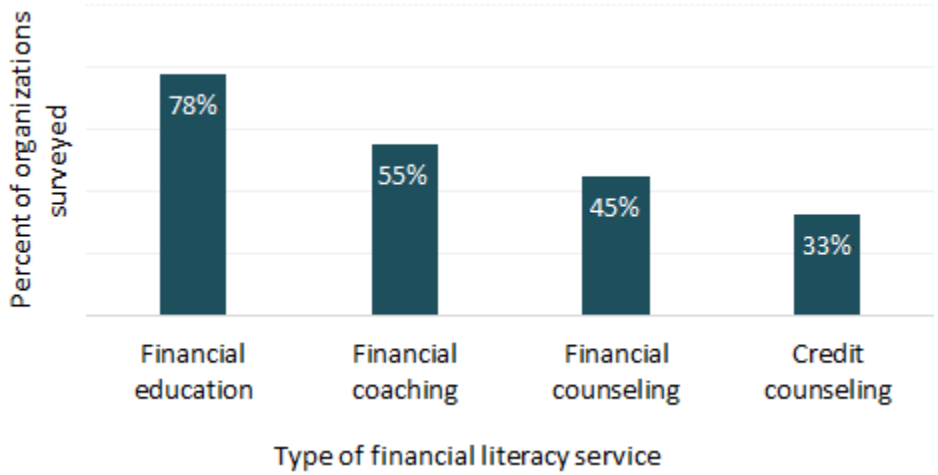
The first section presents findings from the survey on the extent to which organizations offered different financial capability services. The remaining sections present findings from the phone interviews, virtual site visits, and survey with more detail on financial capability services offered by the organizations, organized by service type.

A. Extent to which organizations offer financial capability services

Survey findings show financial education was the most common financial capability service offered (Exhibit 3.1). More than three-quarters (78 percent) of organizations surveyed offered financial education with or without a partner. In contrast, only 55 percent offered financial coaching, 45 percent provided financial counseling, and 33 percent offered credit counseling.

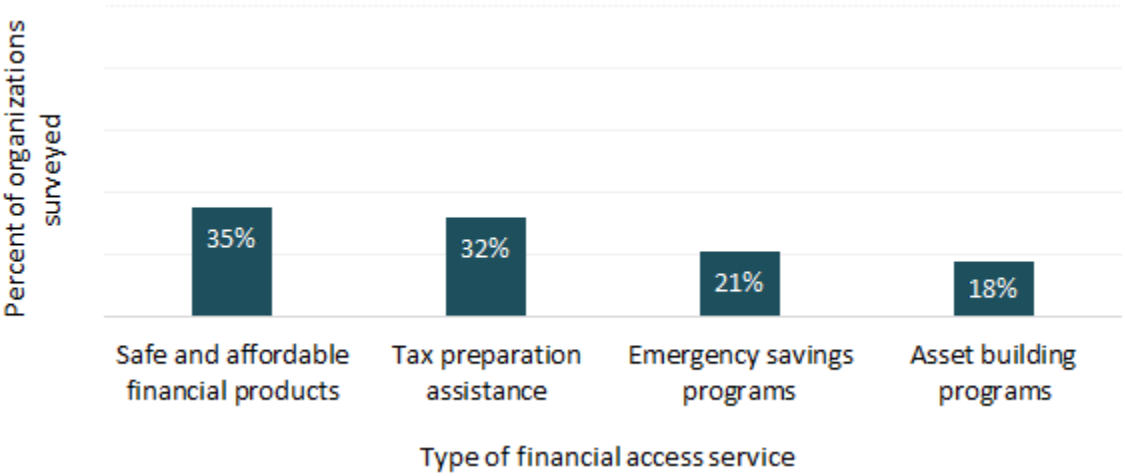
Organizations less frequently offered services meant to increase access to financial products. About one third of organizations surveyed offered safe and affordable financial products and tax preparation assistance (Exhibit 3.2). Only 21 percent of organizations surveyed offered emergency savings programs and asset-building programs. Financial products were often offered in tandem with required financial literacy services.

Exhibit 3.1. Financial literacy services offered by organizations surveyed



Source: Findings from MEF analysis of InFin survey data collected on 62 organizations.

Exhibit 3.2. Financial access services offered by organizations surveyed



Note: Findings from MEF analysis of InFin survey data collected on 62 organizations.

B. Financial education

Multiple organizations described offering financial education in the form of workshops. Financial education workshops were hosted both internally and through external partners. Some organizations referred participants to online workshops and guides. Workshops were offered virtually and in person, with some interviewees describing the delivery mode as being subject to change given the fluctuating pandemic policies and preferences of participants. Some organizations (e.g., Wesley Community Center) offered stand-alone workshops focused on specific topics. Other organizations (e.g., Opportunity Council and JEVS) offered workshop series that spanned multiple weeks; individuals who enrolled were expected to attend all workshops and complete the series.

The financial education content varied across organizations, covering diverse topics such as budgeting, wealth building, entrepreneurship, cultural orientation (or addressing cultural differences in the roles of women in financial systems for new immigrants), financial literacy, racism and money, banking, debt, understanding credit, avoiding scams, car purchases, home ownership, spending during the holidays, and planning financial goals. In some cases, workshops were tailored to the particular groups served or to participants' interests.

> *Under [a] Gender Equality Workshop, I highlight the differences between Afghan and American cultures, I discuss the importance of work for women, financial independence and gender equality, access to finance, work, and retirement, … if women don't work, the family will have smaller savings and retirement benefits.*
>
> *– Staff Member at Financial Capability Program*

One organization used wealth building as a central theme:

> *Pre-pandemic, we were working around evolving our curriculum to be more wealth building, focused around addressing the three levels of wealth building, which was for us stability, security and thriving.*
>
> *– Manager at Financial Capability Program*

Financial education workshops touched on broader perceptual issues, too. Multiple organizations described workshops that addressed personal attitudes around money.

> *Money and You is the third …. [workshop in the series and focuses on], where does my attitude toward money come from, perceptions of money and income, explore how your personal view and perception of money and income can affect how well you manage it.*
>
> *– Manager at E&T Program*

Financial capability service providers often paired workshops with goal-focused coaching to provide multiple opportunities for participants to develop financial knowledge.

> *[Our regions offer] workshops that are in group settings, typically bringing in a partner to lead the workshop, whether it's focused on a specific process like the job application process or interviewing or a financial topic. We call them workshops, and our goal is always to align them with our coaching model by ensuring that there's an opportunity for members to either take information or take a skill and bring it back to their personal goal in their action plan and keep working towards that goal from there.*
>
> *– Manager at Financial Capability Program*

In some cases, interviewees saw coaching itself as a mode of delivering education and replied to questions about financial education by referring to information shared during individualized financial coaching.

Among organizations with multiple locations, financial education workshops varied from site to site depending on regional needs. Localities enlisted local banks and other partners to lead

workshops and discuss how financial institutions operate in their area. Some organizations with multiple locations gave the local workshop providers autonomy and flexibility over the subject matter. Workshop offerings changed frequently, depending on participant interest and requests, as well as the availability and interest of local institutions.

> *Workshops right now are totally under the discretion of the regions… [O]ur partners are leading those workshops. Topics are based on things members are requesting and oftentimes they are done in series. A lot of our workshops are led by financial institutions, like banks. In DC, we did a cohort led by Capital One and we focused on credit. It was called the credit cohort. We talked about the basics of credit, and through the weeks we started getting into homeownership and starting your own business and how credit impacts those kinds of things.*
>
> *– Manager at Financial Capability Program*

C. Financial coaching and counseling

Financial coaching programs worked with participants to determine their personal financial goals and to connect them to financial institutions and resources.[6] Coaching was typically offered one-on-one and personalized to the participant's needs. Many organizations offered financial coaching to all participants to determine their financial goals and challenges; therefore, it served as an entry point to a broader suite of financial capability services. Some participants entered programs with well-defined financial goals and specific financial products that require coaching, while others sought more generalized help.

> *Each one of our participants has a talent development specialist that they work with, and so they're going over what the needs are. For instance, in [one of our offices], a lot of our referrals are homeless, and so we're doing a lot of financial coaching from the get go because they're homeless right now and they have a goal of living in a home. And so we're working with the homeless shelter, we're working with the County Assistance Office and the County Housing Authority to try to find them housing, whatever that is, and that could be living in a hotel, that could be, you know, living in a HUD-approved [residence], that may be renting-to-own, that may be a lot of different things, and so that's really based on what the customer's looking to do.*
>
> *– Manager at Financial Capability Program*

Several organizations offered different types of financial coaching that were tailored to participant needs. At two organizations, participants began with generalized financial coaching and continued with more specialized help if they faced specific needs or challenges. Some financial coaches focused on getting participants banked or supporting participants with loan products.

[6] While "financial coaching" and "financial counseling" have different definitions, interviewees often used the terms interchangeably or in ways inconsistent with the definitions most frequently used in the literature. As a result, it was not always possible for the study team to distinguish which term best fit the services described. Interviewees tended to use the term coaching most often, and discussions of participant goals suggest that coaching is indeed the more accurate term in most cases. Throughout the remainder of the report, we use "financial coaching" in any case where the service is not clearly better described as "financial counseling."

> *We use a financial coaching model. Clients set their financial goals and then talk with their coach about different ways to get there and the client chooses. In a coaching model, we also help people sign up for fresh start loans and different credit-building products. We also help them move towards getting banked. We do have banking partners and credit unions who can provide banking products to people who probably could not go into [some banks] and get a checking account because they are not able to open traditional accounts. So, we do have untraditional accounts. We have credit unions that will work with folks that do not have social security numbers.*
>
> *– Manager at Financial Capability Program*

Interviewees mentioned financial coaching covered a wide array of topics such as defining credit and debit, interest rates, paying bills, navigating mobile apps for financial needs, and budgeting. Financial coaching was often offered in addition to internal and external financial education supplements, such as financial workshops.

Some organizations conceptualized financial coaching as a version of basic financial education that is delivered one-on-one. A few specified that they saw financial coaching as financial education, as distinguished from financial advice.

> *Financial coaching is not financial advice, but it's thinking through a goal related to finance, figuring out the details and the information you need. Our coaches are Masters in Social Work students. They're not financial experts, but their training and the resources we have are intended to allow them to support members in finding the right information for them. But I would say the workshops oftentimes align with the concept of financial education.*
>
> *– Manager at Financial Capability Program*

For both financial education and coaching, some organizations offered incentives and stipends as compensation for participation; others did not but acknowledged that incentives and stipends were a common discussion point in the field.

Other organizations offering incentives noted that incentives were intended to promote ongoing engagement and participant retention. One interviewee claimed that incentives for completing benchmarks counterbalanced the effects of decreased public benefits due to an increase in earnings for participants in the public benefit system.

> *Every three months, as long as you're engaged in coaching, meaning you go to one coaching meeting a month, then you'll get a cash transfer. Which goes directly to a prepaid type card that we register in each member's name, and it can be spent on whatever they choose. They know what's best for their family and what's going to get them closer to their goals and what they're working on.*
>
> *– Manager at Financial Capability Program*

D. Credit counseling

One-third of survey respondents delivered credit counseling services to their clients. Credit counseling includes multiple one-on-one sessions to address credit issues the participant is facing.

Among the organizations interviewed, MEDA and SparkPoint had dedicated in-house staff to provide credit counseling services. MEDA's financial asset counselor was a trained credit counselor who helped clients with debt management. SparkPoint's credit coaches helped clients pull their credit reports and manage their debt. Both financial coaches and the credit coaches at SparkPoint collaborated to help the client with budgeting and debt management. A client at Sparkpoint could have consecutive meetings with their credit coach and financial coach to avoid making the client return to the office. A staff member at SparkPoint Contra Costa described how financial coaches and credit coaches collaborated to serve clients:

> *They work it out together. Figuring out who's doing what. We're in cubicles literally on the other side of the cubicle; maybe the financial coach who is sitting across from the credit coach. So, we all work together…it's usually not on the same call together. But it might be literally one right after the other. Especially when we were doing in-person [meetings] because of the price of gas, they may see one right after the other, we've done that often for folks.*

Credit counselors at MEDA and SparkPoint also could refer their clients to attorneys to help clients address issues with their credit related to bankruptcy, foreclosure, or dispute credit report errors. A manager at SparkPoint Contra Costa discussed how consumer law attorneys can support their clients with finding employment:

> *We also have consumer law attorneys who work with us. If someone is going to be applying for a certain job [and] there may be things that show up on their credit report or elsewhere that may prevent them from being employed … [they] may work with their consumer law attorneys.*

JEVS offered credit counseling services through a partner agency called Clarifi, who would generally meet with clients once or twice to improve their credit scores and work on goals such as paying down student debt and buying a home. JEVS shared some instances where their participants received a "shut-off notice" for their utilities, and Clarifi assisted participants with the paperwork required to avoid utility shut-off. This collaboration helped JEVS be more aware and responsive to participants' immediate needs. A JEVS staff member described their coordination with Clarifi for identifying and addressing participants' needs:

> *What also helps us is if somebody has a shut-off notice and they are meeting with them, they may not have told their case coordinator yet. So of course, Clarifi reaches out [to us], of course they know all of our case coordinators, they reach out to them and say 'so and so needs help with this shut-off notice' and they say, 'okay, send me the paperwork and we'll take care of it.' So, they get more information about what people need, and so that way we can kind of catch it.*

E. Financial access

Compared to financial education and financial coaching, a smaller share of organizations reported offering financial access support, most commonly through a partner. Financial access included access to safe and affordable financial products (e.g., banking and savings accounts or low-cost loans to promote credit-building), tax preparation assistance, emergency savings programs, and asset-building programs (e.g., Individual Development Accounts—IDAs—and Child Savings Accounts).

Survey findings show that about one third of organizations surveyed offered safe and affordable financial products (35 percent), usually through a partner. Many of the organizations interviewed worked with local credit unions and banks to help participants establish checking or savings accounts. Some organizations, like Drexel University's Building Wealth and Health Network, partnered with a local bank or credit union to offer participants matched savings accounts where they matched participants' contributions up to a certain amount per month and over a certain period.

> *What we like to do is do these banking events where we can bring in a couple of credit unions and a couple of banks, so that clients really have the choice and that they're presented with a number of options.*

Some of the organizations interviewed mentioned low-cost loans offered by partners. For example, Wesley Community Center connected participants to low-interest loans for individuals with poor credit offered through the Fig36 program, a partnership program between Fig Loans and community organizations. A few organizations offered low-interest loans themselves. For example, MEDA offered the Fresh Start Loan as a credit builder loan while IRC offered a credit building ladder product as well as low-cost auto loans. A staff member at MEDA described their Fresh Start Loan program:

> *… [We give] you a loan of 500 bucks in a frozen savings account, and you pay off, you know, $43 every month until that gets unfrozen. And that will show up as $500 in a savings account with a credit union. And $500 in an installment loan that you paid off. So low risk for the financial institution, thereby being able to basically give to anybody, right? And that's also a savings tool because, you know, if we do that, bam, you got your $500 in emergency savings, you have built your credit, and you have a savings account with a great organization.*

Survey findings show that about one third of organizations surveyed offered tax preparation assistance (32 percent), usually through partners who could offer specialized expertise (as described in the quote below by a manager at TRAC Associates). Partners mentioned by organizations interviewed include Volunteer Income Tax Assistance (VITA) programs in the community, AARP (formerly the American Association of Retired Persons), United Way, and other community non-profits. MEDA was one of the few organizations interviewed that reported providing tax preparation in-house; they served as a VITA site, and many of their coaches also trained as tax preparers. In addition, IRC operated a national VITA program, and SparkPoint Contra Costa offered free tax preparation year-round.

> *Taxes and unemployment insurance are two things in my experience that a lot of general counselors are told to be very careful about because they can open a Pandora's box, right? So, we usually refer them out to specialists… The rules are so ever-changing, you just don't want to tell people the wrong thing.*

Survey findings show that only about one fifth of organizations surveyed offered emergency savings programs (21 percent), usually through a partner. Among the organizations interviewed, only MEDA noted offering an emergency savings program (through a partner).

Survey findings show that less than one fifth of organizations surveyed offered asset-building programs (18 percent), usually through a partner. Among the organizations interviewed, only JEVS Human Services noted offering child savings accounts through a partner, Citizens Bank. Owens Valley Career Development Center noted that one challenge of operating savings programs like IDAs is that they tend to benefit a small share of the population they serve:

> *The reality is that the population that we're going to be targeting with something like that is probably going to have to be those that are already working for the reason of they actually have to regularly contribute to the savings account on their own. And those tend to be the participants that might have the ability to do that. So, a smaller segment of our population than sort of the whole population that we're serving.*

Chapter 4: Delivering integrated services: motivations and approaches

This chapter describes organizations' motivations for delivering E&T and financial capability services together, as described during the interviews with program administrators, program staff, and partners. It then provides an overview of the approaches to service integration the organizations have selected. Some key findings regarding motivations include:

- Organizations interviewed said they chose to offer both E&T services and financial capability services because they saw the two types of services as sharing a common goal of empowering participants and improving their economic well-being.
- However, organizations differed in how they view the two types of services as related to their organizational missions. Interviews revealed three basic ways of thinking about how the services related to their missions: 1) those that view their overall mission as principally focused on providing E&T services and view financial capability services as supplemental to their core mission; 2) those that principally focus on integrated E&T and financial capability services; and 3) those that provide a broad range of social support services and view E&T and financial capability services as part of their broader efforts to support participants.
- Some organizations had unique motivations for integrating services based on the needs and goals of specific populations they served, such as immigrants, the Hispanic community, Native American communities, and returning citizens.
- Interviews found that government policies enabled organizations to provide financial capability services alongside job training, often at no cost to eligible individuals. Moreover, policies that support individuals with low incomes in areas like housing, transportation, childcare, and food security made it easier for participants to engage with both employment and financial capability services. Additionally, federal tax credits like the EITC and child tax credits played a crucial role in providing additional financial resources to families with low incomes.

Key findings regarding organizations' decisions on service integration strategies, including choices of whether to engage in partnerships, include:

- While most organizations offer financial literacy services (e.g., financial education, financial coaching, and financial counseling) themselves, many also coordinate with partners to provide these services. Organizations providing financial access services—those aimed at helping people take advantage of financial products and resources that have the potential to improve their financial situation—more often do so through partnerships.
- Partners very commonly included financial institutions such as banks and credit unions. Other partners reported by interviewees included local government entities,

educational institutions (e.g., community colleges and universities), volunteer financial planners, consumer law attorneys, legal organizations, and the VITA program.

- Partnerships varied in the roles partners played, the services they offered, where services were delivered, the formality of the partnership arrangements, and cost-sharing.
- Organizations differed on whether they offered E&T and financial capability services as part of the same program (i.e., enrollment in one set of services means automatic enrollment in the other set of services) or as standalone services.
- Where E&T and financial capability services were offered together, financial coaching, financial counseling, and credit counseling were most likely to be integrated with employment counseling and coaching, while financial education was most likely to be integrated with soft skills training.

The chapter begins by outlining the reasons shared by organizations for delivering E&T and financial capability services together. Next, the chapter describes how policy contexts affect whether and how organizations offer integrated services. It then describes the various approaches to integration and how integration is structured, particularly around the scope of programming done 'in-house' versus externally with other partners. The chapter concludes by describing partnership arrangements between E&T programs, financial capability service providers, and other organizations.

A. Organizations' motivations in delivering integrated services

Several organizations interviewed described financial capability services as contributing to the same goals as employment services, including improving participants' economic well-being and empowering them. A common motivation that organizations cited for providing both types of services was a focus on economic self-sufficiency, either in the organization's mission or in its funder's goals. Two organizations explicitly stated that their programming, aimed at helping participants become self-sufficient, involved both employment and financial capability components. Similarly, three organizations interviewed described their mission as addressing "multi-generational poverty" among families through financial literacy, financial coaching, and reducing stigma related to finances.

On the other hand, there were differences in how some organizations described their specific motivations for providing financial capability services and how they saw them relating to their provision of E&T services. In some cases, organizations became interested in integrating financial capability services because it seemed like a logical complement to E&T services. An interviewee from one agency said they bundled their services because they think it is important for a person to "better up their finances" while they are being placed into sustainable employment. For others, particularly those built around multifaceted interventions (e.g., SparkPoint, IRC, and the CFE Fund), they designed their integration efforts to address economic well-being more holistically, beyond employment. One organization, for example, mentioned

that their mission was to provide "comprehensive" services to their participants, viewing financial capability services as part of that comprehensive work rather than specifically complementing E&T services. Relatedly, one interviewee pointed out that offering both types of services leverages stronger relationships with their existing participants, positing that participants were more likely to take advantage of financial capability services at an organization from which they were currently receiving or had already received services.

The organizations interviewed broadly fit into three groups in terms of how they see financial capability services fitting within their overall goals:

- **E&T as the starting point:** One set of organizations views their overall mission as principally focused on providing E&T services. They view financial capability services as supplemental to their core mission, especially as funders move towards economic mobility and self-sufficiency as goals instead of employment alone.
- **Integration as the starting point:** A second set of organizations principally focuses on integrated financial capability and E&T services; among these are organizations that have adopted existing approaches to integration, like the FOC model.
- **Diverse service offerings as the starting point:** A third set of organizations provide a broader range of social support services and view E&T and financial capability services as part of their broader efforts to support participants.

Some organizations held unique motivations for delivering financial capability and E&T services together based on the needs and goals of specific populations they served, such as immigrants, the Hispanic community, Native American communities, and returning citizens. For example, Instituto del Progreso Latino's motivation for service integration was to support immigrants in creating a financial future in the country, while MEDA's was to help the Hispanic community build wealth. For these organizations, the particular needs of the population informed the services offered.

B. Policy contexts affecting choices to offer financial capability services

Organizations noted several ways that federal, state, and local policies enabled and encouraged them to offer financial capability services. Programs like WIOA and TANF can pay for financial capability services, making it feasible to offer these services in conjunction with job training so that eligible individuals may participate at no cost.

Several interviewees noted that policies and programs that provide additional resources to individuals with lower incomes—either to help meet immediate needs or to increase their resources in general—put their participants in a better position to focus on employment and financial capability services. For example, policies that support organizations' abilities to meet participants' needs related to housing, transportation, childcare, and food security additionally allow participants to engage with employment and financial capability services.

> *… Life is just hard for families, and the more we can help them with gas or help them with transportation or help them with childcare ... The more we can do that and support families, the more they're able to focus. You can't focus on your career when you're worried about paying your light bill.*
>
> *– Manager at E&T Program*

Similarly, some interviewees indicated that federal tax credits like the EITC and the child tax credits play a crucial role in providing additional financial resources and supporting families, which allows parents with low incomes to engage in employment and financial capability services. One organization expected that anticipated federal student debt relief would have similar positive impacts on their participants, many of whom have student debt that affects their credit reports.

> *… People who leave our office after doing our taxes and have gotten the tax credits and they are getting thousands of dollars in refunds that they need to survive. And it's for children being able to live not in poverty.*
>
> *– Manager at E&T Program*

A relatively new initiative in Washington State, Economic Security for All (EcSA), has allowed organizations to do more to help their employment services participants address the potential loss of benefits as they earn more income. TRAC Associates and Opportunity Council shared that EcSA funds E&T programs to provide incentives to participants for completing goals, such as completing training. Additionally, the EcSA program includes a pilot program that provides a $500 monthly stipend to participants making progress on job search and training, continuing even after they start working; the stipend is intended to help address the loss of benefits when earnings increase.

TRAC Associates also noted that EcSA is supporting the formal adoption of tools such as the Federal Reserve Bank of Atlanta's Career Ladder Identifier and Financial Forecaster (CLIFF) Planner; previously, the organization relied on manual calculations and informal discussions of the loss of benefits.

> *Talking to people and writing stuff down in a legal pad, which is what we used to do …now we've got all these calculator tools and things like that really have people see objectively, if you've got an actual tool where they punch in the numbers, it's like, this is how it looks, they're sometimes disappointed, but it's stuff they really take to heart.*

C. Integration approaches

Most organizations surveyed who offered services targeting financial knowledge and literacy—specifically, financial education, financial coaching, or financial counseling—offered it in-house, as opposed to offering services jointly with a partner or through referral. This was most common for financial education (66 percent of those organizations offering the service) and less so for financial counseling (59 percent) or coaching (50 percent). Only a minority of organizations offering credit counseling (41 percent) offered it themselves. Other organizations

that offered these services reported doing so jointly with a partner or through referral. In contrast, with regards to services focusing on access to financial products and resources, most respondent organizations that offered such services reported partnering with another organization to do so (ranging from between 69 percent and 82 percent of those offering each of the following services: emergency savings, safe and affordable financial products, asset-building programs, and tax preparation assistance).

Organizations that offered both E&T and financial capability services in-house reported a variety of approaches for coordinating service delivery. In some cases, enrollment was automatic across the various services (e.g., those who enrolled in a program automatically participated in both E&T and financial capability services); in others, organizations allowed participants who enrolled in a program and received one type of service to decide whether to receive the other, and participation rates varied across the service types. For example, IRC and Wesley Community Center both use an automatic enrollment model: any participant seeking career services is automatically enrolled or scheduled for financial services, although their actual participation in those services is not mandatory. Even in organizations where both E&T and financial capability services were formally integrated, mandatory participation was less common than staff's communication about the value of optional offerings.

Among organizations surveyed that reported integrating financial literacy and E&T services, financial coaching, financial counseling, and credit counseling were most likely to be integrated with employment counseling and coaching, while financial education was most likely to be integrated with soft skills training on topics such as time management and inter-personal conflict management. In addition, some organizations explained in the interviews that they paired financial literacy services with a loan product or employment help, making the financial literacy services mandatory for people receiving those other services. Many others offered financial capability services that were not bundled or mandatory, with the participant determining their level of involvement.

D. Partnerships

Many organizations collaborated with partner organizations to offer financial capability services. Partnerships varied on several different dimensions including approaches to service delivery, focus areas, formality, cost-sharing, communication, and the types of partners involved. Using the phone interview and virtual site visit data, the study team identified the following findings.

iv. Approaches to service delivery

Among organizations that partnered with external organizations to deliver financial capability services, the partnership arrangements varied in scope and duration, ranging from time-limited partnerships focused on specific initiatives to ongoing partnerships around day-to-day service delivery. Moreover, partnerships also differed in how participants engaged in services provided by partners. Some partnerships offered co-located services where participants could receive services provided by multiple organizations at one location. For instance, Owens Valley Career

Development Center partnered with the VITA program to provide on-site tax assistance services during tax season. In addition, a few organizations referred participants to partner organizations to receive services. For instance, Amos House and Opportunity Council referred participants to financial institutions that helped them open bank accounts. Moreover, a couple of organizations held partnerships that provided fully remote services (e.g., JEVS Human Services' partnership with Drexel University, which provided virtual financial education classes for JEVS' clients).

v. Focus areas of partnerships

Many partnerships focused on areas such as homeownership education, small business and entrepreneurship education, loans, and legal services (e.g., license reinstatement, expungement, landlord-tenant law education, and rights restoration). In addition, several partnerships focused on supporting immigrant populations. For instance, MEDA partnered with lenders that offer loans to people with Individual Taxpayer Identification Numbers (ITINs),[7] while WorkSource Montgomery partnered with a local bank that helped immigrants without IDs open bank accounts.

vi. Formality of partnerships and cost-sharing arrangements

The formality of the relationship between partners ranged: some organizations had formal MOUs or grant relationships with partners to delineate roles and responsibilities, while other organizations collaborated with partners on a more informal basis. For example, Equus Workforce Solutions had an MOU with a banking institute that provided financial education workshops for Equus' clients, which allowed them to receive regular updates on participation, outreach efforts, and successes. Regarding cost, a majority (61 percent) of organizations that responded to the survey and reported working with a partner organization indicated that the partner organization assumed the total cost of serving their participants. That said, nearly a quarter of survey respondent organizations fully reimbursed the partner organization for serving their participants.

vii. Communication

Some organizations reported regular communication with partners, particularly those with MOUs in place. Examples of communication included presentations to partner staff about program services to encourage staff buy-in, regular meetings with partner managers about program services and recruitment, and Steering Committee meetings with various partner representatives to share in decision-making. As for the frequency of partner meetings, nearly three-quarters of survey respondent organizations that reported working with a partner met at least occasionally (i.e., monthly) with their partner organization.

[7] An ITIN is a taxpayer identification number issued by the Internal Revenue Services to individuals who need to report income but are not eligible to obtain Social Security numbers (e.g., undocumented immigrants and their dependents and student visa–holders).

viii. Types of partners

Organizations most often partnered with financial institutions and government entities and programs to offer financial capability services, while more unique and notable partnerships included educational institutions (e.g., community colleges and universities), volunteer financial planners, consumer law attorneys, legal organizations, and the VITA program.

Organizations commonly partnered with banks and credit unions around financial products, financial education, financial counseling, and credit counseling. Among the organizations interviewed, these partnerships with financial institutions most commonly delivered services through co-location; less common approaches were referral-based partnerships and partners providing virtual services. In particular, bank or credit union partners more often delivered financial education services through co-location than through referral-based arrangements.

In addition to partnerships with financial institutions, many organizations partnered with local government entities and programs. Several organizations partnered with local workforce development boards on employment and financial capability programming. For instance, Opportunity Council partnered with the Northwest Workforce Council, which provided employment services to Opportunity Council's financial coaching participants. One distinctive example is the CFE Fund, a national non-profit organization that collaborates with local governments across the country to implement financial empowerment strategies. CFE Fund defines these approaches as spanning across the disciplines of asset building, banking access, consumer financial protection, and financial education and counseling. Another unique example is SparkPoint Contra Costa, an organization that is part of a regional collaborative of non-profit and government entities that work together to provide integrated financial capability services. The organization holds contracts with community colleges and local non-profits that provide financial capability and employment services.

Chapter 5: Dimensions of integrated service delivery

Information gathered for this study revealed a variety of ways in which E&T and financial capability services could be considered more or less "integrated." This chapter suggests a framework for understanding the range of integration between the two types of services. Key findings and concepts include the following:

- Based on a review of themes arising during the interviews, the study team identified seven dimensions of integration that reflect different ways in which organizations think of the relationship between E&T and financial capability services, how they choose to organize and implement the two types of services, how participants experience the relationship between the two types of services, and the funding context for the services.
- The 15 organizations interviewed as part of the study varied widely on these seven dimensions. To understand how the different dimensions interact with each other, the study team looked at characteristics of four groups defined by their level of integration on two of the dimensions: "vision"—whether the organizations saw E&T and financial capability services as promoting economic well-being together as part of the same theory of change ("unified conceptions") or separately ("supportive conceptions")—and "service participation arrangements"—whether their program arrangements assumed participants will take up both types of services ("expected participant arrangements") or left it up to the participant to decide whether to engage in both ("optional participation arrangements"). These two dimensions stood out because (as described later in the chapter) each allowed categorization of organizations into distinct, binary categories that, when combined, created four groups that suggested distinct models of integration. We then examined how organizations within each group varied on the remaining five dimensions. The four models were:

    1. *Unified conceptions of services with expected participation in both service types,* where integration is core to the identity and approach of the organizations in this model. Programs provided by these organizations often have a high degree of integration on most of the seven dimensions, including centralized, co-located service offerings and formal coordination between the services;
    2. *Unified conceptions of services with optional participation in both service types,* which view E&T and financial capability services as contributing together to the same goals but have more distinct service delivery than the previous model;
    3. *Supportive conceptions of services with expected participation in both service types,* which view integration as less central to their model than the first two models but still require some participants to receive both types of services

(e.g., workforce services providers with light touch financial capability requirements for some E&T service recipients); and

4. *Supportive conceptions of services with optional participation in both service types,* which place less of an emphasis on integration than the other models, rely more on external partners for financial capability services, and informally coordinate services (e.g., E&T providers that make purposeful referrals to financial capability services but do not require participation).

- The chapter also discusses employer-based programs, where employers offer financial capability services to their own employees. This is a separate but important model of integration of employment supports and financial capability services.

The first section presents the seven dimensions of integration that reflect program approaches, exhibiting the common themes and variation in those dimensions across the organizations in this study. The second section presents integration models that reflect how combinations of the dimensions discussed in the first section result in distinguishable approaches. A text box at the end briefly summarizes information the study gathered on employer-based models of integration.

A. Dimensions of integration

The study team focused on seven dimensions of integration, which we identified after reviewing data from the phone interviews and site visits.[8] Exhibit 5.1 defines these dimensions and the sections below describe each dimension in more detail. These dimensions do not reflect all possible features of program integration but rather represent a range of design and implementation features that may be part of an overall model of integration. In considering how programs fit within the dimensions, it is helpful to frame each dimension in the form of a question. In the remainder of this subsection, we present those questions and discuss how they apply to each of the organizations that participated in the phone interviews or virtual site visits.

[8] The study team also reviewed a small number of publications discussing integration of human services programs. This was not a thorough review of the literature on integration and did not serve as the basis of the dimensions discussed in this chapter, but did somewhat inspire the framework used. See American Public Human Services Association (2015) "Health and Human Services Integration Maturity Model 2.0" and Center for Law and Social Policy (2004) "Providing Comprehensive, Integrated Social Services to Vulnerable Children and Families: Are There Legal Barriers at the Federal Level to Moving Forward?" (https://www.clasp.org/sites/default/files/public/resources-and-publications/files/0170.pdf).

Exhibit 5.1. Dimensions of Integration

Vision	How organizations understand the relationship between E&T and financial capability services in contributing to common goals, such as promoting clients' economic well-being.
Organizational Roles	Whether E&T and financial capability services are offered by one or multiple organizations, and how multiple organizations partner with one another.
Location	Whether services are offered in a shared physical location.
Staffing	How programs are staffed within and between organizations, and the relationship between staff offering one type of service and those offering the other.
Service participation arrangements	How E&T and financial capability services relate to one another from the participant perspective, such as whether there is a default expectation that participants in one type of service will participate in the other type (e.g., automatic enrollment across services) or if participation in the other is optional.
Communications	The extent of formal and informal communication (including data sharing) across staff offering E&T and financial capability services.
Funding	Commonalities and distinctions in the funding streams used to support programs offering E&T services versus financial capability services, as well as whether funding sources expressly support *integrated* programming.

Source: Authors' definitions based on review of data from phone interviews and site visits.

Vision: How do organizations understand E&T and financial capability services as contributing to the goal of promoting economic well-being?

As discussed in Chapter 4, all interviewees saw the E&T and financial capability services as sharing the aim of promoting the economic well-being of individuals they serve, but differed in whether they thought of these services as an integrated set or as distinct services contributing to a common goal. Viewed through the lens of theories of change suggests two different ways organizations conceive of the relationship between the two types of services in contributing to their shared goals:

- *unified* conceptions of E&T and financial capability services working together as part of the same theory of change to promote the same goal of economic well-being, and
- *supportive* conceptions that see the two types of services as separate but contributing to the same goal of promoting economic well-being.

Based on how interviewees talked about their programs, the study team estimates that nine of 15 organizations had a unified conception of how their E&T and financial capability services worked together, and six understood their services according to a supportive conception.

The CFE Fund's model provides an example of a unified conception. They talked about E&T and financial capability as core components of the same process:

> *Employment is kind of easily obviously a time when people are thinking about money because there's always that payday moment. So that's you know, that's the very, very, very most basic level of connection.*

Their theory of change posited that financial capability programming has positive spillover effects on the goals of other program types, referred to as the "supervitamin effect."

Similarly, interviewees from some organizations, such as Wesley Community Center, described a desire to address economic well-being "holistically." This conception led Wesley Community Center to automatically enroll participants in both E&T and financial capability services.[9] An interviewee shared the process:

> *If someone comes in for workforce, they're automatically enrolled in the financial coaching, financial education piece and then the income supports case management as well. They can go as deep as they want in those other two, but they're automatically connected to those services.*

In comparison, organizations with supportive conceptions spoke about the two types of services as distinct components or programs, even though each was helping participants work toward the same goal of economic well-being. Nonetheless, daily interactions between participants and staff showed how such services are related in practice. For instance, an administrator interviewed from TRAC Associates—which we categorized as having a supportive conception—shared:

> *I know from talking to [employment services] staff, they all get into financial questions and I think some of them have financial components built in intentionally, but from talking [to] staff it's a really common question. You're talking to me about job search, is it going to be enough for me to make a living?*

Organizational Roles: Does the same organization offer both the E&T and financial capability services themselves? If not, how strong are the partnership arrangements?

This dimension examines the roles of organizations involved in delivering and administering interventions that involve both types of services. We discuss three main categories:

- *centralized* approaches where both E&T and financial capability services are offered by one organization,
- *partnership* approaches where E&T and financial capability services are offered by separate organizations, and

[9] As described later, automatic enrollment relates to the "service participation arrangements" dimension rather than the "vision" dimension but provides an example of how the dimensions can overlap.

- *hybrid* approaches where service offerings do not neatly break down across organizations (e.g., an organization that delivers some financial capability services themselves and others through a partner).

Based on analysis of the interviews, the study team estimates that of the 15 interviewed organizations, six used entirely or primarily centralized approaches; five used partnership approaches; and four used hybrid approaches.

Initiatives in which an organization's structure was inherently built around integration tended to be more centralized in a single organization. Among our interview sample, instances where both E&T and financial capability services were centralized within one organization typically shared similar organizational DNA: many were informed directly or indirectly by the Local Initiatives Support Corporation's (LISC) Financial Opportunity Center (FOC) model, which explicitly links E&T and financial capability supports. Financial capability services offered by these organizations were similar in that they also tended to focus more on individualized coaching or counseling (in part due to their use of the LISC model which prioritized those types of services) more than workshops or other activities.

SparkPoint provides an example of a partnership approach. In SparkPoint's case, services are unified based on "vision," but the organizational roles are decentralized: SparkPoint, as an entity, is based on a collaborative inter-organizational framework, not a single organization. The CFE Fund model, while also conceptualized around the merits of integration between financial capability and other services, uses a partnership model. Their Financial Empowerment Centers offer financial capability services designed to complement the work of partnering organizations that offer support with employment and entrepreneurship.

Other organizations, such as Equus Workforce Solutions, use hybrid models. While one of their financial education workshops was provided by an external bank partner, another was developed and delivered in-house. Their financial literacy workshop was also developed in-house. Participants in TANF or WIOA employment services could access any of these services.

Location: Are E&T and financial capability services offered at the same or separate location(s) (e.g., do participants have to go separate places to access separate services)? Relatedly, to what extent are services virtual?

We describe three categories related to the location in which organizations offer in-person services:

- *co-located* services offered all in one location,
- *separately located* services, in which E&T and financial capability services are offered in different locations determined by service type, and

- *mixed location* arrangements, in which some E&T and financial capability services are co-located in one location but not co-located in other locations.

This dimension is complicated by the significant increase in remote service delivery since the COVID-19 pandemic, suggesting an additional category:

- *virtual* services delivered remotely.

Virtual service delivery may itself vary based on the service type, meaning that mixed location arrangements could encompass situations where participants may receive some services virtually and others in person. A number of organizations interviewed intended to focus on further developing virtual services. Some were in the early stages of doing so at the time of the interviews (summer 2022 to spring 2023) alongside increased in-person programming. "Location" may continue to be a category in flux in the future.

Based on analysis of the interviews, the study team estimated that of the 15 interviewed organizations, four primarily offered co-located services, two primarily offered separately located services, one offered primarily virtual services, and eight offered mixed location arrangements.

JEVS Human Services provides an example of an organization that offered the two types of services at separate locations. JEVS delivered E&T services at their offices while their partner, Drexel University, provided financial education virtually.

In several cases, organizations offered co-located services through external partners who came in to deliver some of those on-site services. For example, PERC hosted financial coaches from their partner organization on site to work with their participants. Similarly, MEDA partnered with a credit union, and staff could access the credit union's products on-site, which removed the barrier of referring a participant to a different location. In a more complex arrangement, SparkPoint Centers offered opportunities for participants to meet in person with staff from multiple organizations at the SparkPoint Center, but the number of on-site staff varied in terms of location and time. A SparkPoint staff member described the benefits behind their unique structure:

> *We bring in experts in all these different areas… We don't live in silos. The integration of services really comes from integration between these partnerships. Partnerships are really important. Organizationally, you can get the services connected to be able to serve people or to have those relationships. That people know that there are other people out there who fill that gap that your clients' needs, because not one organization can do it all… [W]e bring in several people but there are tons of people outside of our immediate network who are really important to clients.*

Staffing: Do the same staff offer both types of services? If different staff offer them, to what extent do they coordinate in their service delivery?

We examined the staffing dimension through the lens of the participant, and in particular whether:

- *the same staff* delivered E&T and financial capability services,
- *different staff* delivered the two types of services, or
- *mixed staffing arrangements* occurred in which some staff delivered both E&T and financial capability services while other staff delivered one specific type.

Based on analysis of the interviews, the study team estimated that of the 15 interviewed organizations, two employed the same staff in the delivery of the two types of services, eight used different staff to deliver each type of service, and five used mixed staffing arrangements.

As noted, among the interviewed organizations, E&T and financial capability services were usually offered by different staff (at the same organization or with a partner organization) with differentiated backgrounds and expertise:

> *So we really wanna… as we say, stay in our lanes over what … we're used to. So, if anyone comes to me with a career question, I refer them over to [NW Workforce Council]. If anybody has a financial literacy concern, [they work with] me.*
>
> *– Staff Member at Financial Capability Program*

One organization that used the same staff to deliver E&T and financial capability services explained that during their one-on-one sessions with their participants, the employment coach helped participants pull their credit report, develop a budget, search for housing, and conducted referrals within the community.

Service participation arrangements: Does participation in a program imply receipt of both types of services, or is one or both considered separate or optional?

This dimension focuses on enrollment processes and the expectations of participating in services of both types once enrolled. Categories under this dimension include:

- *expected participation arrangements* where it is assumed that participants will take up both E&T and financial capability services; this includes cases where participants must engage in services of both types as a condition of program rules (potentially as a condition to stay enrolled in or to complete the program) as well as cases where there is no requirement within program rules but there is a default expectation of participation in both (a "bundled service" model), and
- *optional participation arrangements* where services of both types are available to participants but it is up to the participant as to whether to engage in them.

We categorized organizations as having expected participation arrangements even if the expectation of receiving both types of services only applied to some participants (e.g., based on

the participants' particular needs or their participation in specific programs or services the organization offered). Based on analysis of the interviews, the study team estimated that of the 15 interviewed organizations, 11 had expected participation arrangements, and four used optional participation arrangements.

Some organizations prioritized bundled services and used automatic enrollment in both E&T and financial capability services for participants. Wesley Community Center, discussed earlier in the section on the vision dimension, is one example. Dual enrollment was also mandatory at SparkPoint centers:

> *It is really important for people to find a job or to find a better job. It's one important aspect of what we do. So, at SparkPoint centers…you have to have both career and financial services. That magic bundle they did research on it a while ago and they call it that bundling of services is where people are most successful. Able to reach financial sustainability.*

Some organizations within the expected participation arrangement category stressed bundled services and the expectation that participants would receive both types of services, while still allowing flexibility with what to take up. In some cases, such as at Amos House, the expectations of receiving both services only went in one direction, with financial capability services but not employment services central to all participants:

> *What we try to stay away from is someone seeking the employment services without the financial. So, if you're not looking for work that's okay, you can still seek the financial services, but if you're looking for work, the financial is really, like you do both, it's an integrated part of that.*

Some initiatives stressed that the emphasis on service uptake differed by location based on participant needs and interests. As a staff interviewee at the IRC noted:

> *It's a very context-specific approach… We use the [bundled services] model, but it's going to look different in each office, because of some of those… local context-specific factors.*

Communications: How regularly and formally do organizations communicate with one another, share information to coordinate service delivery, and discuss broader issues around program design?

For this dimension (most pertinent to integration models involving multiple partnering organizations), we focus on:

- *formal* communications approaches, as indicated by such factors as regular meetings for specific types of staff at each organization, either between service delivery staff or between management, and formal data sharing agreements to share information across organizations,[10]

[10] In four cases, the information gathered during the interviews suggested that no formal or informal coordination was needed because either the same staff were delivering both types of services or the staff who delivered the services were co-located and worked closely together in providing services. In reviewing the data, we treated this as an implicit form of "formal communications."

- *informal* communications approaches included direct emails or phone calls between program staff and speaking in person, and
- *mixed* communications approaches in which the degree of coordination varied for different E&T and financial capability services.

Based on analysis of the interviews, the study team estimated that of the 15 interviewed organizations, nine used formal communications approaches, five used informal approaches, and one used a mixed communications approach.

Some integrations, such as WorkSource Montgomery, were based on informal referral relationships between organizations, where participants in one organization were pointed to another if their issues seemed pertinent to the expertise of the other organization.

SparkPoint holds formal management-level meetings, including monthly "update" meetings which cover fundraising, resources, partner updates, and community news. These meetings have also been used to make decisions, such as voting on bringing in new partners or how to use funding.

Data sharing is another example of communications among partners that can be more or less formal. Forty-two percent of survey respondent organizations that reported working with a partner both share and receive information about their participants served by their partner organization. Nearly a third neither share nor receive information from partners. Roughly a quarter either send or receive information from partners, but not both.

Only some programs had formal data sharing practices, such as MOUs, between E&T and financial capability service providers. In other programs, less formalized communications across organizations occurred, such as warm handoffs of participants between organizations. Programs involving the delivery of both E&T and financial capability services in house were able to share, and did share, participant data between program areas.

Funding: Are both types of services funded by the same sources or through separate sources? Do any funding sources specifically support the work of service integration?

The two main categories on this dimension are whether organizations use:

- *common funding sources* to finance both E&T and financial capability services, or
- *separate funding sources* to finance the different types of services.

The study team did not receive as much information from interviews on funding as with some of the other dimensions; however, based on analysis of the interviews, the study team estimated that of 12 organizations that provided some information on funding, nine used a common funding source for at least some of their E&T and financial capability services, while

three used a funding source for all of their financial capability services that was separate from the funding used for their E&T services.

Among organizations using common funding sources, some received funding directly tied to the idea of integrating financial capability and E&T services. These included organizations receiving funding from LISC, the programs supported by the CFE Fund, and the funding SparkPoint received from United Way. In these cases, organizations built cross-services funding into the overall model, and tended to incorporate funding for coordination and integration of services. For example, these organizations often employed staff that conducted centralized intake and service coordination for participants over time.

B. Models of integration

To understand the degree to which programs with higher levels of integration on one dimension also had higher degrees on another dimension, and whether these patterns suggested that programs could be categorized into a small set of useful models, the team first reviewed how the 15 interviewed organizations fit into each of the categories within the seven dimensions. Exhibit 5.2 summarizes the number of organizations falling within the different categories across each of the seven dimensions. It shows that the 15 interviewed organizations contained a range of degrees of integration on each of the dimensions. The study team then reviewed cross tabulations of pairs of the dimensions. The observations on the 15 organizations considered overall are not enough to draw strong conclusions, but they do provide a small number of suggestive patterns. For example:

- Of the four organizations categorized as having optional participation arrangements on the *service participation arrangements* dimension, three used partnership models on the *organizational roles* dimension; only one used a centralized model. In contrast, of the 11 organizations with expected participation arrangements on the *service participation arrangements* dimension, most used centralized or hybrid models on the *organizational roles* dimension (five and four, respectively); only two used a partnership model.

- For the *location* dimension, only two of the 15 organizations offered fully separately located services; both were organizations using partnership arrangements on the *organizational roles* dimension.

- Organizations with unified conceptions of integration on the *vision* dimension tended to have more formal *communications* approaches than those with supportive conceptions of integration on the *vision* dimension; seven of nine organizations with unified conceptions on the *vision* dimension used formal approaches of communications, while only two of six organizations with supportive conceptions on *the vision* dimension did.

Exhibit 5.2. Distribution of interviewed organizations on dimensions of integration

Dimension	Categories within dimension	Number of organizations
Vision	Unified	9
	Supportive	6
Organizational roles	Centralized	6
	Partnership	5
	Hybrid	4
Location	Co-located	4
	Separately located	2
	Mixed location	8
	Virtual	1
Staffing	Same staff	2
	Different staff	9
	Mixed staffing arrangements	4
Service participation arrangements	Expected participation arrangements	11
	Optional participation arrangements	4
Communications	Formal	9
	Informal	5
	Mixed	1
Funding	Common funding sources	6
	Separate funding sources	3
	Mix of funding sources	3
	Insufficient information	3

To further understand how the seven dimensions interacted with each other, the study team looked to identify specific models of integration defined by their grouping on two of the dimensions: *vision* and *service participation arrangements*. We selected these dimensions in part because they represent both how organizations conceptualize integrated services (*vision*) and how integrated they appear from the participant's perspective (*service participation arrangements*). Since both are binary categories, this leads to a two-by-two comparison, resulting in four models.

1. **Unified conceptions of services with expected participation in both service types:**

These are models where integration is core to the identity and approach of the model, both in how the organization conceives of the services and how participants experience the services. Eight of the 15 interviewed organizations fell within this group. Many of these organizations focused on serving specific populations (e.g., Amos House and Opportunity Council focused on people experiencing homelessness and justice involvement; PERC focused on individuals with justice involvement; IRC focused on immigrants) and offered a broad range of services to support their client base. Three operated the LISC FOC model. All either required participation in financial capability services to individuals receiving certain employment services or included both types of services as part of a single, broader program.

Programs fitting this model largely demonstrate a high degree of integration on most of the seven dimensions. Four of the eight offered solely co-located services on the *locations* dimension, and another three offered mixed service arrangements with at least some co-location. They generally had defined pathways (from staff referrals to scheduling and client progress tracking) that participants could follow when moving between E&T and financial capability services, and were more likely to stress the importance of the value of financial capability services no matter the reason why a client came in. Communications tended to be more formal; only one of the eight fell into the informal category on the *communications* dimension. Half used a centralized model on the *organizational* roles dimension. Patterns on the *staffing* and *funding* dimensions did not stand out as different from other programs overall.

2. **Unified conceptions of services with optional participation in both service types**:

Organizations fitting into this group understand E&T and financial capability services as working together to contribute to the same goals, but deliver the two services in a more distinct manner than in the previous group (unified conceptions with expected participation arrangements), and without expectation that every participant received both types of services. Only one of the 15 interviewed organizations fell within this group: Instituto del Progreso Latino, operated an integrated model but in practice did not require participants to engage in all aspects of it if they chose not to.

3. **Supportive conceptions of services with expected participation in both service types:**

In these models, organizations conceptualized integration of E&T and financial capability services as less central to their model; nonetheless, their program design expected or required some participants to receive both types of services. Three of the 15 interviewed organizations fell within this group. Two of these were organizations that primarily provided a broad set of workforce services or general social services that had very limited financial capability services requirements for participants. Equus Workforce Solutions offered financial education workshops and only required TANF participants in paid work experience placements to participate in them. Owens Valley Career Development Center required its participants to have bank accounts and assisted them with account applications, but did not have any universal financial capability service requirements for all participants beyond that. The third, LIFT, used a coaching model focused on financial well-being that incorporated employment coaching when seen as important to supporting participants' financial goals.

Like the unified models that similarly include expected participation in both services, all of these organizations used either centralized or hybrid approaches on the *organizational roles* dimension rather than having all E&T and financial capability services provided by separate partners. Two of three of the organizations used informal modes of communications (on the *communications* dimension), which contrasted with the organizations with unified conceptions (only one of nine organizations in groups 1 or 2 above used informal modes of communications). All three programs in this group used a common funding source to finance both types of services (on the *funding* dimension), though the data gathered in this study is

insufficient to address the reasoning for this. There were not notable patterns that stood out on the other dimensions.

4. **Supportive conceptions of services with optional participation in both service types**:

Organizations in this group neither conceptualized integration of E&T and financial capability services as central to their model, nor considered it necessary that any participants receive both types of services. Three of the 15 interviewed organizations fell within this group. All three—JEVS, TRAC Associates, and WorkSource Montgomery— were E&T providers that made financial capability services available and referred their participants to the services as appropriate, but did not require participation.

In all three cases, on the *organizational role* dimension, the organizations used partnerships; external partners delivered the financial capability services. As with the supportive models with expected participation arrangements, on the *communications* dimension two of three of the organizations used informal modes of communications. Patterns did not stand out on the other dimensions.

Box 1: Employer-Based Models of Financial Capability Services

As discussed earlier, one of the data collection efforts conducted as part of the study was interviews with representatives of ten employers offering financial capability services to their own employees. Such employer-based programs represent another channel through which people with low and moderate incomes receive financial capability services in an employment-focused context. While employers have been developing and offering financial capability services to employees, little research has captured the range, variability, successes, and challenges of offering such services to employees.

Through these interviews, the study team hoped to help build knowledge about how and why some employers offer such services to their employees. The interviews served as the basis of a separate brief, *Investing in Employee Financial Well-Being: Employer-Provided Financial Capability Services*.[a] Some of the main findings from the brief include:

- Interviewed employers offered a range of financial capability services to employees. Some of the services offered by the employers included financial education, financial coaching or counseling, and loans or grants to help meet emergency needs. Few interviewed employers offered tax preparation assistance, and none offered asset-building programs (such as IDAs).
- While employers differed in their motivations for offering financial capability services, several common rationales emerged, including helping to meet employees' needs holistically, taking advantage of opportunities brought to them by other organizations offering partnerships to develop services for their employees, and supporting employee satisfaction and retention.
- Some employers partnered with external organizations to offer financial capability services that they could not offer in-house. A few employers used complementary non-profit organizations (such as non-profits that are tied to the employers but are separate entities) to deliver services.
- Most employers offered financial capability services to their entire full-time staff because they believed all employees could benefit from them, though a few limited the benefits to employees meeting specific eligibility guidelines (e.g., those receiving public benefits).
- In implementing financial capability services, some employers reported challenges in connecting employees to financial capability services, including employee turnover, high demand for services, and language barriers.

[a] Martinchek, Kassandra., Paige Sonoda, Lauren Fung, and Laura Wagner (2023). Employer-Provided Financial Capability Services, OPRE Report #2024-001, Washington, DC: Office of Planning, Research, and Evaluation, Administration for Children and Families, US Department of Health and Human Services.

Chapter 6: Arrangements in programs integrating services

While the previous chapters focus on the *content* of integration models, this chapter examines the *form* these models took and the way services were offered and coordinated in practice as described by program staff in phone interviews and virtual site visits.

The first section focuses on how organizations tailored delivery of their program offerings to the populations they served. The second section presents different strategies organizations used to recruit participants for their integrated services. The third section discusses organizations' practices for intake and assessment of participants. The fourth section focuses on staffing, including staffing arrangements involved in the integrated programs and training that organizations provided to staff delivering services within these programs.

Key findings include:

- Many organizations tailored their services to meet the needs of the specific populations they were serving, including focusing on cultural and linguistic needs, offering multi-lingual services, and offering supports to meet needs that were barriers to individuals being ready to participate in financial capability activities.
- Organizations used a variety of recruitment strategies for their programs, including internal referrals to services within an organization, referral partnerships, and general outreach.
- Assessments (both formal and informal) played an important role in many of the programs, which the providers used to understand participants' most pressing needs and financial situations.
- Staffing approaches varied across organizations: although in general, staff providing E&T services were distinct from those providing financial capability services, even when both were offered within the same organization.
- Some organizations provided relevant training to their staff; topics included general coaching techniques, motivational interviewing, financial coaching, trauma-informed approaches, and specific financial capability issues like tax preparation.

A. Delivery and tailoring of program offerings

Organizations delivering financial capability services had a wide variety of offerings. Most workshops and coaching sessions were hybrid, with virtual and in-person offerings. Many organizations offered financial coaching via Zoom, in person, or through phone calls. Organizations worked to meet the needs of the different populations they served. Organizations tailored their offerings based on several demographic characteristics, including age, religion, and language (e.g., one organization noted that all of their staff spoke both Spanish and English). Specific needs also drove the services offered, such as helping participants get car loans or set up bank accounts.

In addition, organizations offered a wide array of supportive services. Some supported benefits access, helping participants navigate the applications for disability benefits, foods stamps, and other financial assistance programs. Some sites offered supportive housing, emergency cash relief, or access to food and clothing. One described providing help with finding a bankruptcy lawyer.

Organizations reported tailoring services to meet different cultural and linguistic needs, including tailoring loan services for Muslim populations and customizing a curriculum for Native American populations. One organization that served Afghan refugees reported that they tailored loans to fit religious restrictions on interest:

> *"Personally, I've had a few clients who have been, I guess, weren't super comfortable with our loans, even if it's a fee base and no interest loan. So, I've had to learn kind of what their rules are to explain that this is okay. And it is a pretty standard practice in Islamic finance to set up loans as fee-based loans […]. There's a long history of it. So, I've been able to work with clients and clients have consulted their own religious leaders. So, I would say, I'm trying to be more like culturally tailored, especially being aware of the religious constraints.*
>
> *– Staff Member at Financial Capability Program*

For tailoring to Native American populations, one organization reported using curriculum developed by the First Nations Development Institute and offering trainings by a person who is Native American, which can help Native American participants feel connected to the material. Organizations also provided multilingual services, including materials and trainings in other languages. In one case, an organization serving people who recently arrived to the United States integrated financial capability services into vocational English as a Second Language (ESL) classes because they had multilingual coaches. On the other hand, another organization serving speakers of other languages reported offering vocational trainings only in English because the organization believed that English language skills were necessary for work.

To some organizations, tailoring meant that not all trainings were accessible to everyone who might be interested in receiving services. These organizations noted that not all participants were ready for the kind of services they provide and may need resources and supports to help solve other problems in their lives before engaging in employment support. Examples of these supports included helping participants get drivers licenses, providing basic financial counseling, or offering services like supportive housing.

Location and timing were also important ways that organizations tailored their services to meet the needs of participants. For organizations that served employed people, offering services in the evenings was important. For this report, we interviewed organizations after COVID-19 vaccinations became widely available, so organizations were working to balance virtual and in-person programming. Organizations tried to offer programing via Zoom or in person at locations that were convenient for participants. One organization noted that it was challenging to engage participants over Zoom.

B. Outreach and Recruitment

Organizations interviewed largely relied on referrals by partners or from other internal programs to support recruitment. Referral partnerships ranged from formal to informal: formal referral partners shared information about programs in orientations and trainings as well as directly referring participants to programs. Internal referrals were also a recruitment technique; organizations recommended their financial capabilities programming to individuals already participating in other services with them. One interviewee shared that:

> *"We did an email to all of our previous Head Start families, we go into Head Start classrooms at the beginning of the year and talk to families about how we're going to be working on it, or offering the program.*
>
> *– Manager at E&T Program*

Another organization explained that they held informational sessions in settings where potential participants could hear about multiple programs.

Other forms of outreach included social media, social media advertising, flyers, tabling at events, and giving presentations in schools. Word of mouth was also a common way that participants found programs. One interviewee stated:

> *"Word of mouth is probably the most powerful outreach tool that exists more than us pasting flyers or cold calling 10,000 people. Just facilitating one or two ...successful loans is going to have exponential effects.*
>
> *– Manager at Financial Capability Program*

Interviewees also noted that although word of mouth was powerful, it was not a method of recruitment that they had control over or were able to replicate.

Outreach and marketing were ongoing challenges even for programs with concerted efforts. As one interviewee noted:

> *"You think you've covered every base you can possibly think of and then hear from 20 people, I wish I knew a few months ago you exist, how come you don't publicize yourself.*
>
> *– Manager at E&T Program*

C. Intake and Assessment

Other important program characteristics relate to intake—including participant selection and eligibility determination—and the ways in which organizations assessed the needs and goals of participants. Interviewees generally described aiming to be inclusive and straightforward. For example, one organization noted that they were not selective in choosing their participants and took on more difficult cases even if it meant the individual might face challenges in gaining employment. Another organization described their intake process as a simple enrollment once the participant agreed to participate.

Assessments were a common intake practice, although their formality varied. Providers used assessments to understand participants' fundamental needs and financial situations. The focus of the assessments depended on the focus of the programs; for example, those offering financial counseling used assessments to understand the basic financial situation of participants, and those focused on employment outcomes used them to understand the strengths and needs related to helping those participants obtain a job.

One example of a formal assessment tool used to understand participants' financial situations was the Self-Sufficiency Calculator, which calculates the minimum income needed to cover basic living expenses for different family sizes.[11] Informal assessments often involved talking about goals, identifying services with which to connect participants, and reviewing personal finances. These assessments could help organizations match participants to appropriate services, including services they offer themselves, those offered by other organizations, and public services and benefits for which they may be eligible. For example, one program that provided E&T services also counseled participants about applying for public benefits and how benefits received can impact their budget.

Interviewed organizations reported using software for intake and case management, although in general these systems were general management systems, such as Salesforce, and not specialized for financial capability services. The CFE Fund's system is an exception, as it used a formal intake questionnaire and management system organized around tracking clients' financial capability.

D. Staffing and Training for Staff

The organizations interviewed had similar staffing structures for both E&T and financial capability programming. Organizational capacity and the relationships between integration partners influenced staffing structure, as did program goals and particular services offered. Most programs were overseen by directors and program managers and staffed by coaches or case managers (although actual titles used varied), and some had coordinators who provided participants with specific support. However, there were differences between programs that used E&T staff to provide financial capability services and those that brought in additional financial capability staff or partnered with an external agency.

One interviewee noted that specific staffing approaches could be affected by the realities of staff turnover:

> *"We've worked with different staffing structures, but where we still haven't landed is, we have one employment coach, two financial coaches, we have up until recently had what we were calling a resource coordinator, which encompasses the income supports and intake and the following*

[11] A version of the Self-Sufficiency Calculator is formally used by 42 states and DC to determine the income needed for a minimum standard of living. See https://selfsufficiencystandard.org/history/.

tracking of people through the model. And we just lost someone in that role. And I think we're kind of in a pause of whether to refill that role as it is.

– Manager at E&T Program

Training ranged from formal curricula to in-house training and peer-to-peer learning for coaches. In some sites, it included more generalized training on items like trauma-informed approaches and communications approaches to use with participants. It was common for financial capability staff to be trained in financial coaching. Training was also tailored to help staff meet participants' needs. Examples of training content provided to staff included identifying common scams, tax preparation, and trauma-informed programming. Organizations offered different trainings to meet the needs of participants; one organization reported that they "have been offering a few opportunities for mental health training through suicide intervention training for just learning more about suicidal ideation, there've been quite a few that have come across our desk."

One organization described a specific set of trainings for their coaches:

> *The rest of our coaches have gotten motivational interviewing training. Our local United Way does trainings on coaching, specifically on how to coach somebody, as opposed to case managing or counseling so all of our staff on the team have done that. And then the LISC network down here does a training on financial coaching and it includes the motivational interviewing, so our financial coaches take that training as well.*
>
> *– Manager at Financial Capability Program*

Some organizations reported examples of formal requirements or certifications for financial capability or E&T program staff, including certification as a HUD-certified housing counselor and, more generally, having a bachelor's degree. One organization was staffed by Master of Social Work students and reported that they trained them in coaching techniques to balance the case management-heavy approach from social work. Additionally, this organization based their coaching principles on the competencies of social work to match the skills of their staff. This organization partnered with social work schools and offered students the ability to complete requirement placements.

Chapter 7. Challenges to integration and strategies used to overcome them

In the phone interviews and virtual site visits with individual organizations and the program administrator focus group, program administrators and front-line staff shared several challenges associated with the delivery and integration of financial capability services in E&T settings. Some key findings include:

- Participants often faced short-term needs when accessing E&T and financial capability services that could present barriers to focusing on longer-term financial goals. Further, once participants' short-term needs were met, they did not always stay engaged with the program to receive financial capability services beyond that point. Some programs tried to address this challenge by providing resources to address individuals' immediate needs as part of their E&T services and tailoring services to individuals' particular E&T, financial, or immediate needs through one-on-one coaching.
- Cultural norms and stigma around finances created potential challenges with participant uptake of public benefits and financial capability services. One of the strategies organizations used to address this included employing program alumni or former staff with lived experience who could lead by example. In addition, organizations worked to normalize the idea of financial education in order to remove its associations with poverty, including advocating for integrating financial education in high schools or colleges.
- Some administrators and staff of organizations that offered financial capability services online noted tradeoffs in doing so. Such services could be more convenient and easier to access for participants, but programs noted lower attendance and participant engagement when services were delivered virtually.
- Some organizations noted that many partners who offered low-cost financial education resources, including banks, often did not tailor services to the population the organizations were serving. Nonetheless, some organizations reluctantly accepted these services because resource constraints did not allow them to offer the services themselves.
- Many organizations noted that participants' loss of public benefits as their incomes increased due to employment could create challenges in their financial situations. This was an important focus for programs, and coaches and specialists often worked with their participants to consider the effects of a new job or pay increase on their benefits.

The first section of this chapter focuses on factors that served as barriers to participants' take-up of and engagement in financial capability services. The second section discusses reported barriers to service delivery for programs. The third section discusses challenges that funding restrictions and other policies presented to programs and their participants.

A. Barriers with participant take-up of financial services

During phone interviews and virtual site visits, program administrators and front-line staff talked about the difficulty of delivering financial services while also addressing participants' immediate needs. Many participants began the program with short-term needs, such as food, housing, employment, and childcare, and staff struggled to help participants achieve financial stability while they were facing those needs. Moreover, participants who engaged with services due to short-term needs did not always remain engaged for the longer-term process of financial planning once their short-term needs were met.

Coaches providing one-on-one support were often in a good position to tailor services based on participants' circumstances and help them connect with services that could address their short-term needs. In addition, some organizations confronted these challenges through partnering with agencies that provided services to address the immediate needs of their participants, or by reducing silos within their own organizations across divisions to help ensure services were more easily available when needed. Three programs integrated housing services within their workforce division to help participants address housing insecurity and also incorporate financial capability services. Program administrators also mentioned strategically delivering coaching focused on participants' goals and interweaving financial education casually into conversations about E&T or other goals.

Program administrators also found that providing motivational and emotional support to participants helped organizations build rapport and maintain retention of participants once they met their immediate needs.

> *I think they see a value immediately, like if they need help applying for SNAP, they're kind of getting deliverables up front... And then I think that maybe makes somebody more likely to come back for another financial coaching session because, you know, they've already developed that relationship and seeing that they've followed through.*
>
> *– Manager at Financial Capability Program*

Other strategies included prioritizing participants' voices and their lived experiences to shape programs, and incorporating a trauma-informed component into programming. Respondents indicated that these types of strategies helped participants build resiliency and overcome barriers.

> *[Your have to be] trauma informed, but you also have to be people centered, because you'll end up again being demeaning if you aren't….[these are] places where people might be at their most vulnerable and where you might expect people should really be trauma informed. And then there's the empowerment aspect where and this again is where some of that political education comes in, a lot of people have a lot to say but may not know where to say it or how to say it or the channels to go to. [You have] to be able to help to provide a platform to people, to be able to voice those kinds of things.*
>
> *– Manager at Financial Capability Program*

Program administrators noted that cultural norms and stigma around finances could create challenges with participant uptake of public benefits and financial capability services. They discussed the importance of devoting time and effort to building stronger relationships with the participants so they could feel comfortable talking about their finances. For example, program administrators held continuous conversations with participants about money to destigmatize the topic. In addition, organizations leveraged the power of lived experience to implement financial capability services more effectively. Some organizations hired program alumni as financial coaches, and others emphasized that staff with lived experience could lead by example and facilitate better relationships with participants. Additionally, staff tried to help participants feel more comfortable about using funds and resources by explaining that unused funds would not go to others if left unspent. Multiple administrators advocated for normalizing the idea of financial education to remove its associations with poverty. As part of this goal of normalizing financial education, administrators supported state- and local-level policies to integrate financial education as part of the curriculum in high schools and community colleges.

> *We have former alumni on our board now because we really want to make sure that we're listening and being mindful and intentional about the work that we're doing and that it's not harmful.*
>
> *– Manager at Financial Capability Program*

B. Challenges with delivery of financial capability services

Administrators and staff interviewed also shared a variety of challenges they faced in delivering their intended services. For example, staff spoke about the challenges with retaining participants in financial capability and E&T services due to reasons such as job schedules and issues with transportation. To address this, some organizations ensured their services were flexible to "meet the client where they're at" by offering evening classes and having mobile staff in order to meet participants outside of the office. One organization formatted their classes in cohort models so that if a participant stopped attending the financial literacy classes, they could come back when they were ready and "pick up where they left off."

One organization shared their difficulty with documenting participants' completion of the financial education components and measuring their level of understanding and learning of the content. One organization employed a strategy to assess participant learning through quizzes and surveys that tested and evaluated participants' knowledge and comprehension of the financial education material.

Financial capability services offered online increased convenience and ease of access of the services for participants. However, organizations also noted lower attendance and lower participant engagement when services were implemented virtually.

> *It was really just challenging to get it [financial education course] to happen in a zoom environment, honestly. I mean, I think…we were seeing some [participants in class] and then kind of the last one [class] we offered on zoom, only ended up with like two people…so that was really*

challenging. They didn't have their cameras on and people, you know, just don't get that same kind of camaraderie.

– Manager at E&T Program

During the pandemic, one organization had to put its financial coaching activities on hold. Since the community was in crisis, all staff (including financial coaches) were reassigned to income action teams. Staff were in triage mode and focused on helping participants apply for public benefits and navigating the public benefits system, receive relief funds, receive housing stabilization assistance, and get grants and loans to keep their small businesses afloat.

Some program administrators noted that available partners offering financial capability services did not always tailor their services to the program's goals or populations served. For example, local banks were often providers of financial education. However, they frequently used premade curricula that were not designed with the programs' goals in mind, and administrators found it hard to integrate the external staff's ideas with their own organization's existing plans and goals. One interviewee raised concerns that some trainings could perpetuate negative stereotypes about people with low incomes lacking financial literacy and money management skills. Some organizations avoided this issue by offering financial education themselves.

> *When we get contacted by big banks or banking institutions, the first thing they want to do is swoop and start doing my job, and I'm like, 'that's not what we need, they pay me to do that. I don't know if you knew this, if you did any research on our organization prior to this, you would know that because it's all over the website.' So they're like, 'can we come in and teach all your classes?' and I'm like, 'no, I teach classes. You can come in one a quarter I guess, as a guest speaker.'*
>
> *– Manager at Financial Capability Program*

However, others noted that given resource constraints, they sometimes accepted these services despite the lack of tailoring to their goals or populations served because they were provided for free.

Relying on external partnerships to provide financial capability services also sometimes raised concerns about participants' well-being. Working with partner staff required participants to recount their personal stories and experiences more times with different people, and staff saw the repetition as potentially leading to re-traumatization. This issue also applied within organizations when multiple staff members provided different services. One administrator expressed this as part of a broader problem with regards to the information asked of program participants:

> *One of the things that I like to cover especially whenever talking to funders and stakeholders, especially around emergency funds and offering these services, is that with our current culture right now, privacy is a privilege. And privacy is a privilege that's reserved for people who have the money to have privacy, which is forgive my language, but frankly, it's bull****. People should be allowed to have privacy. And that's another thing, pride, trust, feeling safe and secure, and also not having to traumatize themselves every freaking time they need help.*

– Manager at Financial Capability Program

Organizations noted a variety of challenges to delivering integrated services including staff turnover, staff buy-in, lack of proper training of E&T staff delivering financial services, and coordination and management of staff from different organizations who were co-located. Lastly, organizations mentioned challenges with sustaining funding for their financial capability services.

C. Challenges of funding restrictions and other policies

Organizations discussed restrictions on the use of available funding that made it difficult to prioritize integrating E&T and financial capability services. Further, they noted ways in which funding restrictions limited their ability to address the array of needs participants faced and which hindered their ability to succeed in E&T and financial capability programs.

Several interviewees said that funding structures did not usually support integration. Funding for financial capability services was often stand-alone and not integrated with the larger funding initiatives supporting E&T programs.

> *I think it would be nice if it [funding for financial capability services] could be integrated more...It's not as integrated with all like the big funding.*
>
> *– Manager at E&T Program*

Further, interviewees noted rules and regulations related to spending in public programs that often limited organizations' ability to meet the multiple, complex needs of participants, such as needs related to childcare, transportation, and criminal histories. Without meeting these needs, it became more difficult to help participants advance in both employment and financial capability. For example, programs were unable to pay for driver's license reinstatement or car insurance, which impeded participants' ability to travel safely and legally to job interviews or their workplace.

> *We can never pay for car insurance because they don't want any kind of liability ...but then you have people working and driving and not driving, you know legally. And then they get a ticket … we're not allowed to pay for fees to reinstate the license. Well, sometimes they have fees because they haven't been able to pay.*
>
> *– Manager at E&T Program*

Organizations noted that public assistance programs often had eligibility requirements that limited their ability to meet their community's needs. Opportunity Council shared that they previously were able to serve all families regardless of immigration status in their financial coaching initiative, but when the program became WIOA-funded, they were restricted to only serving individuals with a legal immigration status. Similarly, MEDA noted that some participants were unwilling to access resources for which they or a family member may be

eligible due to fears of public charge inadmissibility determinations;[12] this prevented them from accessing resources that could help them meet their immediate needs in a way that would allow them to focus on E&T and financial capability services. Moreover, PERC served returning citizens and noted that state policies prevented individuals from applying for benefit programs while they were still serving a sentence; this led to delays in connecting participants to needed financial resources that could allow them to better engage with E&T and financial capability services.

Organizations noted that the participation requirements of public programs could also negatively impact participant engagement, such as TANF program requirements for participants to engage in approved work activities for a certain number of hours per week.

> *We want our space to be something that people don't feel forced that they have to go to... And so how do you contend with that dynamic when someone is being forced because of mandates, like hour requirements or these kinds of things?*
>
> *– Staff Member at Financial Capability Program*

Multiple organizations noted that reductions in or loss of public benefits as incomes and assets increased posed significant challenges to participants with low incomes and could be a disincentive to employment. E&T coaches and specialists often worked with participants to weigh the consequences of a new job or pay raise on their benefits.

> *There's certainly people who kind of fear like do I want to step into this because I'm in a place where at least I know what I have and I know I've been able to manage it, and it sort of feels like this risk to step outside of that and risk losing it.*
>
> *– Manager at E&T Program*

E&T coaches and specialists sometimes needed to help participants tailor their job search to avoid losing benefits. Participants sometimes declined pay raises for fear of losing benefits, and this fear held them back from moving into career trajectories that were better in the long term.

> *That is a huge issue for many of our clients that they hit a place where they don't want any more raises, I mean that just is horrible, you know, you don't ever want that for a person that they put that ceiling on themselves.*
>
> *– Manager at E&T Program*

[12] A public charge inadmissibility determination is the product of federal immigration regulation which allows a noncitizen's application for a visa, admission, or adjustment of status to be denied if they are deemed likely to become primarily dependent on the government for subsistence. An individual's receipt of public cash assistance for income maintenance is one factor used to make the determination (U.S. Citizenship and Immigration Services. (2023). *Public Charge Resources.* https://www.uscis.gov/green-card/green-card-processes-and-procedures/public-charge/public-charge-resources#:~:text=For%20DHS%2C%20a%20public%20charge,term%20institutionalization%20at%20government%20expense).

Organizations that participated in guaranteed income initiatives or offer cash transfers or incentives were careful to structure their services to minimize effects on their participants' benefits; they also counseled participants on how the income might impact their other benefits.

> *We really don't want anything to affect the cash. We only want to do things to bring money into your families without then having to adjust the checks.*
>
> *– Manager at E&T Program*

Chapter 8. Participant perspectives on integrated services

This chapter describes participant perspectives on their experiences with programs integrating financial capability and E&T services, drawing from the interviews conducted with 12 participants of the organizations included in the study's virtual site visits. Key findings include:

- Most participants entered the programs because they needed employment services or some other sort of support. However, once enrolled in financial capability services, participants reported a variety of financial goals.
- The interviewed participants took part in a wide range of both E&T and financial capability services.
- Participants generally expressed appreciation for the guidance and support of E&T and financial capability staff. Most participants reported positive experiences and strong bonds with employment or financial coaches. Some described positive connections with peers developed during participation in financial education workshops.
- Some challenges included difficulty engaging in financial capability activities while working full time or trying to meet immediate needs (e.g., stable housing), reluctance due to apprehension about financial topics or perceived lack of self-sufficiency, and concerns about losing benefits when gaining employment.

The first section describes participants' goals when they enrolled in services. The next section describes the activities they engaged in while receiving services, followed by a description of the positive aspects of their experiences. The final section describes the challenges that participants encountered while engaging in these services.

A. Motivation and goals

Most of the program participants interviewed for the study entered the program with employment goals and were then referred to or recruited into financial capability services. The primary goal for most participants when they entered the program was to find employment. In a few cases, participants were also interested in training opportunities to improve their employment prospects. Other goals shared by participants included securing stable housing, gaining food security, obtaining public benefits, accessing transportation, developing computer literacy, obtaining their high school diploma, and going to college.

After enrolling in financial capability services, participants reported a variety of financial goals, including understanding and creating budgets, establishing savings, paying off debt, navigating bankruptcy, establishing bank accounts, saving for a large purchase (e.g., a vehicle), understanding credit, building and improving credit, and homeownership.

> *"I'd like to learn about money…I didn't really get an education on that sort of stuff from my parents. They didn't have many skills that they could pass on, so it was like it's, it's something that I've been*

aware that I am lacking in for a while, so it was just a really good chance to fill that gap of information.

– Participant at Financial Capability Program

B. Program activities

E&T participants heard about financial capability services and programs through community flyers, recommendations by their employment coach or specialist, and presentations made during orientations for E&T programs.

Participants described several different ways in which they worked towards their employment goals including applying for jobs identified by their employment specialist or coach; writing or tailoring resumes and cover letters with an employment specialist or coach; participating in practice interviews with an employment specialist or coach; using vouchers to buy interview clothes; attending networking events and connecting with professional networking groups; and applying for and enrolling in training programs.

> *"It's been many years since I've had to write a resume or a cover letter and express my strengths, and it was really hard to … I didn't know where to start … And he really helped me with that… he was very encouraging and helped me through the process of deciding what kind of a job I was going to look for. And then we spent weeks working on a resume and a cover.*
>
> *– Participant at E&T Program*

Additionally, participants worked towards their financial goals by creating a budget with an employment specialist or financial coach, creating SMART goals with an employment specialist or financial coach, opening a savings account for themselves or their children, contributing to their savings, taking a loan and building credit by making loan payments, checking their credit score, and disputing credit issues.[13]

Participants also worked towards other related goals such as applying for public assistance programs, learning about and navigating possible reductions in public benefits as their incomes increased with their employment specialist or coach, applying for other assistance available in the community (e.g., gas cards), and learning computer skills.

C. Satisfaction

Participants from the study interviews expressed appreciation for the guidance and support of E&T and financial capability staff in identifying and navigating community resources, understanding and navigating the loss of benefits, and connecting them with helpful community partners. One participant who was a college student and single parent shared how program staff helped connect them with support resources:

[13] SMART (specific, measurable, assignable, realistic and time-related) goals are a set of criteria used to guide the setting of goals that is intended to produce better results.

> *They gave me kind of a bit of a map filled out with steps that I needed to complete in order to qualify for different things.*
>
> *– Participant Receiving Suite of Services*

Another participant received free eyeglasses, gas cards to help with fuel expenses, help with fixing their car, assistance with completing public benefits application forms, and information about a rental assistance program. In addition, the program connected them with pro bono bankruptcy and disability lawyers. A third participant who was laid off and experiencing housing issues received help in obtaining a housing voucher:

> *[They] even helped me with my housing situation, and [figuring] out how to find stable housing. And they … got me help with getting a housing voucher on top of that … [It's a] network of assistance that's really, really, really needed.*
>
> *– Participant at Financial Capability Program*

Interviewed participants noted that financial coaches helped them with financial goal setting, making action plans to reach financial goals, understanding budgets, managing income and bills, understanding and managing credit scores, and developing healthy money habits. For example, one participant noted receiving advice from a credit coach about approaching credit card companies to explore affordable payment options based on their current income. Another participant noted that their financial education program provided them with a binder filled with helpful information and money management tools. One participant described how their financial coach supported them in setting goals and making action plans:

> *I'm young to have all these different dreams and aspirations I want to do. And my coach is like, okay. I love that. You're so like aspirational. That's great. Now let's figure out how we can do this and let's figure out the timeframe for it. I'm starting to understand … how much time I need to put into to get the money that I need… and how much money it costs to be able to spend the time that I would, the way that I want to spend it.*
>
> *– Participant at Financial Capability Program*

One participant noted that they benefited from the education on tenant rights provided through their financial education workshop series:

> *And the last place we rented. Oh my God. If I had known any of it [i.e., things learned about tenants' rights during the workshop]. There would have been a time in court. It was pretty bad.*
>
> *– Participant at Financial Capability Program*

Participants also expressed appreciation for the non-tangible benefits of E&T and financial capability programs. For example, participants of one program noted that the program provided a refreshing experience by creating a non-judgmental, inclusive environment where individuals could openly express themselves and be heard and supported. They contrasted this experience with other public assistance programs where there was limited opportunity for

participants to express themselves or share their own experiences, which participants found frustrating.

> *I recommend it to anybody … it's deeper than just being a number. I feel like in a lot of these places you're just thrown around and you're just part of someone's paycheck ... they're not asking you deep feelings about how you're feeling today, they're not really concerned with that, they just want you to be there and you know they're counting you as paperwork.*
>
> *– Participant at Financial Capability Program*

Most of the participants interviewed praised their employment or financial coaches for being authentic, honest, empathetic, and easy to connect with. Participants reported having strong bonds with their coaches. They felt that their coaches genuinely cared about them and that they could speak openly and honestly with them.

> *Someone who is able to … listen to those things without being judgmental, that is pretty huge. A lot of people kind of have a knee-jerk reaction to my living conditions … he's not a trained therapist. But it is therapeutic to be able to talk about some of the challenges that I'm working through.*
>
> *– Participant at E&T Program*

Participants of a program with a wellness component highlighted the benefits of the self-awareness and self-management skills taught by the program, such as journaling, self-reflection, and mindfulness. They believed these skills contributed to their personal growth and helped them live more fulfilling lives.

> *They have brought me to this part where I look forward to life … they've helped me tremendously in personal growth, and financial growth.*
>
> *– Participant at Financial Capability Program*

Participants of two financial education programs (referenced in the quotes below) noted that they built connections with their peers and found community through the workshops. Several participants emphasized the importance of a supportive atmosphere in the class. They eagerly looked forward to each session, even during personally challenging times.

> *I look at my situation sometimes and I'm down on myself and I met some great women in that class who were going through things as well, so I didn't feel alone in that and that's what really made me want to participate as much as I did because I wanted to be there for them, just like they were all being there for me.*

> *I looked forward to every class … I know somebody was gonna say something to make me laugh, I knew somebody was going to say something that had me thinking… It was always something that reminded me to keep going forward.*

Some participants interviewed indicated they felt bittersweet when classes concluded and exchanged contact information to stay connected.

> *When we were getting closer and closer to the end of the session, people didn't want to leave, they were exchanging numbers. They're like, 'we don't want this to end, this needs to be longer, could we do this again?'*
>
> *– Participant at Financial Capability Program*

D. Challenges to participation

Some of the interviewed participants noted needs that were unmet by program services, such as help with tax preparation, subsidized housing, access to transportation, wi-fi access, computer classes, and technology instruction.

Participants were often facing life challenges and immediate needs, such as finding stable housing, preventing evictions, or covering essential expenses; such needs for immediate financial security limited participants' interest and ability to engage in financial capability services. Participants' limited resources also impacted their ability to engage in financial capability activities.

> *You can't budget because you have nothing to budget because you're a year in debt… even though I know what it is I have to do to try to save money, it was like you can't save what you don't have.*
>
> *– Participant at Financial Capability Program*

Participants who were interested in training often struggled because they were balancing work and training. It was difficult for them to find time to participate in training while working full-time, and to find training schedules that fit around work schedules.

> *Most of our folks, to build that career, they need to get some training and it is very hard... For someone to be able to stop working or go from full-time to part-time, it's just not possible… the biggest barrier is them being able to financially support themselves while they're in school.*
>
> *– Manager at E&T Program*

Some of the interviewees who were parents—particularly those with children aged zero to three—indicated they struggled to participate in programs due to limited childcare options. Parents of preschool- and school-aged children were often limited to participating in programs offered during the times their children were in school or Head Start programs.

Participants also noted challenges due to physical health, age, and lack of affordable transportation impacted their ability to participate in programs. Physical health and transportation challenges often impacted their ability to participate in in-person services, while some felt that their age impacted their ability to work with technology and participate in virtual services.

Interviewed participants shared their perspectives on finances and the stigma of talking about money or applying for public benefits, which affected their interest in financial capability services. Some participants expressed hesitation in taking up financial capability services. Two participants stated they did not feel they needed help with their finances because they were

"good at math." Another participant felt they did not earn enough to warrant engaging in such services, or that they were so focused on day-to-day survival that they did not feel able to fully engage in financial capability activities. Participants shared feelings of "being overwhelmed with different things" and having to prioritize other necessities before focusing on their finances.

> *I've sort of survived on low-income jobs all my life… I'm used to living paycheck to paycheck and perhaps I could use some help learning how to put more into savings and save some money.*
>
> *– Participant at Financial Capability Program*

Participants also noted challenges presented by benefit reductions or losses due to increased income. They expressed concerns about losing benefits by accepting a new job or promotion. For example, one participant was afraid to lose the health coverage offered by Medicaid:

> *It's going to be hard to give up Medicaid because it pays everything ... I went to the emergency room and they just looked me up and saw that I was on Medicaid and everything was paid for. I never got a bill and … you just don't get that with any other program that I know about. … It's kind of a leap of faith. That, you know, things are going to work out and you're going to have what you need.*
>
> *– Participant at E&T Program*

One participant shared their concern with homophobic slurs and remarks made by other participants, indicating that it made the agency feel less inclusive and welcoming to the LGBTQIA+ community:

> *There's a lot of other people who use those services who are homophobic and use slurs and are unwilling to, like, use people's correct pronouns and stuff like that, which I understand that everybody needs help if they need help. But it can't be an inclusive space if everybody isn't inclusive.*
>
> *– Participant at Financial Capability Program*

Chapter 9: Recommendations from interviewees to improve integrated programs

This chapter reports recommendations from program participants, program staff, and employers who participated in study interviews on how programs could improve their E&T and financial capability service delivery and integration. Key findings include:

- Recommendations from program participants interviewed include providing or connecting participants to more resources; expanding recruitment to a broader range of participants; making changes to service delivery, such as smaller classes, longer classes to dive deeper into topics, and more flexible hours; and providing opportunities for participants to talk about their experiences in order to help shape policy. Some said they wanted more funding for programs, as well as more supports for program staff (e.g., mental health and financial capability services).
- Recommendations from program staff members and administrators interviewed included increasing content focused on homeownership as part of financial education workshops; enhancing use of scenario-based discussions; increasing incentives for participants; and investing in closer collaborations with state human services agencies to help participants holistically navigate benefits systems.
- Recommendations from employers interviewed highlighted the importance of tailoring services to the specific populations receiving them and collaborating with employees to make sure employees feel supported by the services they are offered.

The first section of the chapter reports recommendations from participants, followed by a section summarizing the recommendations from program staff. The third section presents recommendations from employers who offer financial capability services to their employees; these recommendations are directed at other employer-based programs but include themes more broadly relevant to integrated services.

A. Recommendations from program participants

The 12 program participants who were interviewed in this study shared their recommendations for how organizations could improve their E&T and financial capability service delivery and integration. They recommended various programmatic changes or additions to address participants' unmet needs, improve recruitment or engagement, and enhance program content and service delivery. Program participants also made recommendations related to staffing, organizational expansion, and policy advocacy.

i. Programmatic changes or additions

Several program participants expressed unmet needs that impacted their ability to engage in employment or financial capability services. While they suggested that organizations should

address these needs, participants did not necessarily connect them to the employment or financial capability services. The participants recommended that organizations:

- offer cell phones and cell phone services directly[14] to participants with immediate needs for them;
- offer onsite computer classes so program participants can build skills needed for their new jobs;
- offer more permanent affordable housing solutions to program participants struggling with access to affordable housing and long waitlists;
- provide access to mental health services; and
- provide ongoing counseling for program participants versus referring them to a mental health agency only during moments of crisis.

ii. Recruitment and engagement

Some of the interviewed program participants' recommendations also touched on organizations' recruitment and engagement efforts. A few program participants recommended expanding recruitment efforts to include more communities of color and a broader set of people in need of financial capability services. A program participant who was a college student suggested improving the engagement of college students by pairing them with long-term coaches who could act as mentors, increasing the level of comfortability in discussing topics like finances and resources.

iii. Service Delivery

Various program participants reflected on program content, dosage, and how the agencies can improve service delivery for participants. A program participant recommended that the classes be held in person instead of online to build deeper connections and elevate engagement. Relatedly, a participant emphasized the need for instructions in Zoom etiquette to maintain a professional atmosphere despite participants attending from home and to reduce background distractions such as children playing. They recommended establishing community guidelines at the beginning of the program.

A participant suggested that a smaller class size would be preferable, as it allows for more one-on-one interaction and engagement. Another recommended more interactive activities during financial education workshops.

A few program participants recommended that the courses be longer to allow participants to delve deeper into topics and spend more time with the content.

[14] A participant noted that the external program which the organization had referred them to for cell phones had bad customer service, long wait times, and non-durable phones.

> *It's like, 'Ok, today we're gonna deal with this, and then tomorrow we're on to something new,' where it's like, 'Well, wait a minute. I still want to get back to this because there's more I need to know or more I need to learn,' and I feel like it goes so fast.*
>
> *– Participant at Financial Capability Program*

Another program participant proposed extending services during the evening hours to accommodate full-time working participants and families.

One participant recommended that other programs adopt features they particularly appreciated from the program in which they participated, including trauma-informed approaches, a prioritization of mental health, and exercises that gave them a chance to focus on and share their emotions.

iv. Expanded support for the program and program staff

Some participants wanted increased funding for their programs in order to sustain or expand services. One spoke about the need for more funding for organizations to expand services, as well as the need to sustain funding so there is continuity of services that meet the needs of participants. Another program participant said they would like to see their organization expand with more brick-and-mortar locations in their area or elsewhere in the country.

Participants also thought staff should receive more support or pay. A participant recommended that front-line staff receive higher compensation for what they described as "arduous work." Another suggested that program staff should be able to access some of the services provided to participants, such as mental health and financial capability services.

v. Elevating participants' voices to shape policy

A participant spoke about the importance of prioritizing program participants' voices and their lived experiences to shape policy. They believed that policymakers often lacked a personal understanding of the experiences faced by people living below the poverty level. They suggested the program could provide opportunities for individuals to share their experiences and advocate for those who have not been able to have a voice before. They asserted this would allow government officials to see and understand the realities faced by marginalized communities.

> *I feel like a lot of the government officials have not walked in our shoes. I feel like they're just making bills or policies according to what they think and nothing that they've never been through… we should be able to go to these meetings, we should be able to go to these different places and be mobilized and be able to speak it out and talk it out and be at the tables with these politicians when they're making these decisions for these bills.*
>
> *– Participant at Financial Capability Program*

B. Recommendations from program staff and administrators

Recommendations from program staff members and administrators largely focused on program content and operations.[15] Among the suggestions from interviewed financial capability program staff were more content on homeownership and increased scenario-based discussions within financial education activities. One staff member recommended increasing incentive amounts for participants but also noted that increasing them too much could interfere with public benefits.

> *"Yeah, so I think, one, more money, if we had the ability to be able to provide more incentives, I think that would be very beneficial, I mean that's a direct way of being beneficial to people. So, I think that would do wonders, but even with that, there are things that you have to be wary of. I mean, we can't give too much because that could affect people's benefits and that's an issue.*
>
> *– Staff Member at Financial Capability Program*

E&T program managers interviewed emphasized the importance of leveraging partnerships with other organizations, as well as existing resources, to increase the services available to participants. One cited the Volunteer Income Tax Assistance (VITA) program's free tax preparation services as a useful partner.

> *Maybe two [organizations] within the [region] are providing free tax assistance services. And I'm like, 'Y'all, this is like, the thing that helps people'…All of our sites, generally, are providing or offering additional wraparound supports and referrals for other financial services. So, if there's like, one model that could be brought up or uplifted, it might be that one like…And I think that's a national model, right? Where people are encouraging people to access other savings under the VITA program and other financial support.*
>
> *– Manager at E&T Program*

One program administrator recommended closer collaborations with state human services agencies to help participants navigate benefits systems and deal with the challenges of loss or reduction in benefits as incomes increase.

C. Recommendations from employers

Employers interviewed also provided recommendations; while they focused on a different type of program—employer-based financial capability services—some of the recommendations may have relevance for other programs integrating E&T and financial capability services.

These recommendations largely fell into two groups. First, the interviewees highlighted the importance of intentionality in designing services in a way that is tailored to the specific populations receiving the services. One noted that employers should be aware of the financial

[15] The study could not always differentiate the recommendations from solely E&T or financial capability staff due to the overlapping roles of administrators and staff in the integrated programs included in this study.

literacy levels of their employees in order to know which services might be most relevant to them.

> *Just what level of understanding they [employees] have of finance is very important [to understand] before we just broadly say financial literacy [is our focus] ...because people don't know how to budget... [it's important to] start at the very beginning, depending on who that client is.*
>
> *– Employer Providing Financial Capability Services*

Some interviewees reported that, at times, the financial capability services offered to employees did not meet their financial needs; one gave an example of underutilization of their 401k because employees were not financially well-off enough to have savings to contribute to retirement. In response, this employer implemented a savings program for employees that could help address more immediate needs.

The second set of recommendations emphasized using a team-oriented approach to financial capability services. Several interviewed employers reported that a collaborative approach among employers and employees fostered a mutually supportive environment. One interviewee noted that having well-supported staff meant employees could focus on work rather than worrying about financial concerns:

> *You gotta take care of your people, so they can take care of your clients. And that would be my big thing. And when you take care of your people, which helps them focus right. And if I'm worried about whether or not I'm going to pay a doctor bill, or if I'm deciding which med to take today because I can't afford the prescription. Now, those are the kind of things we take a look at. How can we help prepare those team members, educate them, support them, and let them focus on what's most important?*
>
> *– Employer Providing Financial Capability Services*

Chapter 10: Key takeaways and directions for future research

The final chapter of this report presents key takeaways that are informed by all components of the study. The first section summarizes themes that emerged from the findings presented throughout the report. The second section highlights interesting and notable practices among the programs studied, identified through our analysis of the information collected in this study. The chapter concludes with a discussion of potential avenues for future research.

A. Summary of key takeaways

In this section, we highlight selected findings from analysis in previous chapters. The first set of findings summarizes what we learned about the features of the programs that provide both E&T and financial capability services. The other set of findings highlights themes that recurred in multiple interviews or other data collection.

i. Overview of features of integrated programs

The survey and interviews provide a broad picture of programs that offer both E&T and financial capability services. They summarize the study's main findings related to the study's first three research questions:

1. To what extent are E&T programs incorporating financial capability interventions or services?
2. Why are E&T programs incorporating financial capability interventions or services? What factors, including any state or local policies, drive this decision?
3. What are the key inputs, activities, and outputs of financial capability interventions as implemented within E&T programs?

Some of the key findings include:

- Organizations identified for the study that offered both E&T and financial capability services were geographically diverse. They included a mix of non-profit, for-profit, government-funded agencies and educational institutions. They served diverse populations but shared a focus on underserved populations with low incomes.
- The organizations delivered a core set of E&T services, with most offering each of the following types of services: employment counseling or coaching, soft skills training, job search assistance, and case management.
- Financial education (i.e., workshops, classes, or curricula covering financial topics) was the most common financial capability service offered by the organizations that responded to the survey, but about half also offered financial coaching or counseling. Financial knowledge and literacy services (financial education, coaching, counseling) were offered more often than services supporting access to financial products.

- While most organizations offered financial literacy services in-house, many involved partners in delivering other services. Organizations providing financial access services—those aimed at helping people take advantage of financial products and resources that have the potential to improve their financial situation—more often did so through partnerships.
- Organizations interviewed said they chose to offer both E&T services and financial capability services because they saw the two types of services as sharing a common goal of improving participants' economic well-being and empowering them. However, organizations differed in how they saw the two types of services as relating to their organizational missions.
- Organizations varied in how well they integrated their E&T and financial capability services. Four groupings of programs illustrate different degrees of integration:
    1. *Unified conceptions of services with expected participation in both service types,* where integration is core to the identity and approach of the model and where services often have a high degree of integration on many of the dimensions identified by the study.
    2. *Unified conceptions of services with optional participation in both service types,* which see E&T and financial capability services as contributing together to the same goals but have more distinct service delivery than the previous model.
    3. *Supportive conceptions of services with expected participation in both service types,* which see integration as less central to their model than the first two models but still require some participants to receive both types of services.
    4. *Supportive conceptions of services with optional participation in both service types,* which placed less of an emphasis on integration than the other models.

Employer-based programs where employers offer financial capability services to their employees are a separate but important model of integration of employment supports and financial capability services.[16]

ii. Tailoring financial capability services

A common challenge noted by the participants interviewed was that their immediate financial situations (e.g., unemployed, employed part-time, or employed with low wages) limited their ability to practice the lessons learned in financial education workshops. Financial coaches working one-on-one were typically able to tailor their approach to meet participants' current

[16] Further detail is in Martinchek, Kassandra., Paige Sonoda, Lauren Fung, and Laura Wagner (2023). Employer-Provided Financial Capability Services, OPRE Report #2024-001, Washington, DC: Office of Planning, Research, and Evaluation, Administration for Children and Families, US Department of Health and Human Services.

financial situation. For example, SparkPoint's coaches worked with participants to identify individualized goals and develop a step-by-step action plan while IRC's coaches worked with refugees to establish their credit and build financial assets in the United States. However, financial education workshops or classes typically utilized a standardized curriculum that may not be best suited to participants' current financial situations, which made it challenging for participants to implement financial lessons in their lives. Practitioners can take care to ensure that their chosen curriculum meets the needs of the population they serve. For example, Opportunity Council's financial education workshop series included a workshop on tenant rights with a tenant rights lawyer as a guest speaker.

Ensuring that financial capability programming met the needs of employees was also a key challenge reported by interviewed employers. Multiple employers noted that they had concerns about whether the financial capability services were a good match for the financial situations of their employees and debated about the types and combinations of services that they offered. Other employers reported that concerns over whether financial capability services were meeting their employees' goals inspired them to develop new services. For example, one employer reported that employees with low incomes were often not able to save enough money to access a 401k match because they were struggling to meet basic financial obligations, making an emergency savings program necessary to facilitate access to other employer benefits.

iii. Participants' unmet needs

Program administrators, staff, and participants acknowledged that participants of E&T and financial capability programs often struggled with immediate needs and challenges in their personal lives that impacted their ability to engage with, persist in, and complete programs. These needs and challenges included access to safe and reliable transportation, stable housing, access to safe and reliable childcare, healthcare, computer literacy, access to computers, and access to the internet. Programs were sometimes able to meet some immediate needs (e.g., providing transit passes, providing Wi-Fi access, loaning out computers, etc.). However, programs often had to rely on referrals to meet other needs such as housing, food, and healthcare.

iv. Benefits reductions

Participants in E&T and financial capability programs often encounter situations where their benefits may be reduced and need support in navigating those reductions. As participants gain employment or move into better jobs, they may experience a sudden loss of government benefits (the "benefits cliff") or a gradual loss as their income increases. These decreases may occur due to rules in TANF, SNAP, and other programs that determine eligibility and benefit amounts based, in part, on income (and in some cases, assets).[17] Often, the net increase in income may not be enough to compensate for the loss of benefits, leading to a situation where

[17] For a discussion of program participant experiences related to benefit cliffs, see Anderson, T., Coffey, A., Daly, H., Hahn, H., Maag, E., & Werner, K. (2022). Balancing at the Edge of the Cliff.

it is financially less advantageous in the short-term for individuals to increase their earnings. Employment and financial coaches play an important role in helping participants (a) understand how a change in their employment can impact their benefits, (b) make a plan that accounts for the loss of benefits, and (c) focus on the long-term benefits of being employed or moving to a higher-paying job instead of the short-term impacts of losing benefits. In addition, organizations employ tools designed to help people navigate the potential loss in benefits; for example, as discussed earlier, one organization interviewed is using the Federal Reserve Bank of Atlanta's Career Ladder Identifier and Financial Forecaster (CLIFF) Planner.[18]

B. Notable Practices

Below, we highlight practices shared by organizations that we consider notable because they appear to be tailored to participant needs and either address challenges identified by the program participants we interviewed or were deemed effective by the program participants we interviewed.

i. Trauma-informed approaches

Given participant feedback on psychological barriers to engaging in financial capability services (e.g., apprehension about their finances, feelings of inadequacy, fear of change, shame about the state of their finances), programs using trauma-informed approaches appeared to effectively address these barriers. They did so by establishing a welcoming and supportive environment, building trust and rapport between participants and program staff, recognizing the trauma of racism and poverty as it pertains to participants' approach to financial matters and its effects on their learning experience, and empowering participants to have more control over their financial well-being. One organization interviewed adopted a holistic approach to service provision by creating an empathetic, supportive system and addressing the unique needs and challenges of participants.

ii. Staff with lived experience

Several programs hired staff with lived experience (including former participants) who could better connect with participants, empathize with their struggles, and support them as they progressed through the program.

> *"I can relate to a lot of my clients in the sense of having a lot of experience and not knowing how to move forward with that…[Clients say] 'What other jobs should I look into? I don't know.' Or 'I've worked so many jobs, but I don't really know what kind of skills I have' … Whenever they're feeling like 'I'm alone. It's only happening to me,' I'm like 'No, no, no! I have held more than 7 jobs in one year.'*

[18] It is important to note that given the wide variety of programs in which low-income families participate—each with unique eligibility criteria and benefits calculations—the scope of impact regarding an increase in earnings on a family's benefits is complex. Coaches or other program staff assisting individuals in supporting staff with navigating these situations may require training or capacity-building support to provide effective guidance to their clients.

– Staff Member at Financial Capability Program

iii. Specialized financial products

Some organizations offered specialized financial products intended to help the populations they serve. For example, IRC offered a product called the Credit Building Ladder, which was a series of three installment loans with a 0% annual percentage rate (APR) that helped borrowers build credit over several years. This product helped individuals with no or very thin credit establish and build credit, which is important for achieving other goals like renting an apartment or securing a job.[19] The organization noted that there was compelling data that taking out a credit-building loan for someone with no credit can increase their credit score to around 640 within 6 months. These products also attract interested individuals who may subsequently participate in financial education and financial coaching services.

> *We have a credit building ladder product, which is kind of a series of 3 different loans. The first one is $100. You pay it back in 5 installments, and you know it's a $0 fee, no interest loan and it helps someone establish a credit score, because we work so much with new American populations [i.e., immigrants] that often have thin or no credit. Right? So it's not so much that they have bad credit They just don't have credit.*
>
> *– Manager at E&T Program*

MEDA served community members who have ITINs instead of social security numbers, and had programming tailored around the ITIN to ensure that these community members had equal access to wealth building. They connected them to financial products offered to ITIN holders. For example, MEDA's microlending program, Fondo Adelante, provides fair and affordable lending options for small-business owners who cannot get a loan at a traditional bank. MEDA is also educating other Community Development Financial Institutions about the reliability and potential profitability of lending to ITIN holders.

iv. Program length

Opportunity Council's EcSA program engaged with participants for a year. Participants first completed a financial education workshop series over several weeks and then worked with mentors on financial goals over several months. This approach seemed to address the challenge noted by participants of another financial education workshop series that the short length of the program limited their ability to spend more time engaging with the content. One participant shared:

> *I like the fact that the program just doesn't end in seven weeks, they actually stick with you. To make sure that you are setting yourself up for success.*

[19] For a discussion of employer usage of credit reports in the hiring process, see Congdon, William J., Signe-Mary McKernan, and Nick Martire (2023). *Preemployment Credit Checks: Practices, Effects, and Implications,* OPRE Report #2023-331, Washington, DC: Office of Planning, Research, and Evaluation, Administration for Children and Families, US Department of Health and Human Services.

However, organizations choosing to increase program length should give attention to factors that could support participant engagement, given other findings about challenges in retaining participants once their immediate needs are met or who have to balance participation in program activities with work.

v. Financial literacy for children

Opportunity Council's EcSA program offered tools, resources, and activities to participants for the purpose of teaching financial literacy to their children. Staff noted that the EcSA program was designed to engage the whole family and equip caregivers with an age-appropriate curriculum. Program participants interviewed expressed appreciation for the interactive resources and the opportunity to better prepare their children to navigate their finances as they grow older:

> *"We had to talk about you know how much your time is worth and when you breakdown that $100 item when you're only making $10.00 an hour, how many hours of your life are you willing to spend on that? So that's been a really cool illustration for them to learn.*

C. Future research

The findings presented throughout—including the descriptions of the variety of program arrangements and notable practices used by organizations operating E&T and financial capability services— suggest the potential for programs that integrate these two types of services to promote economic well-being among individuals and families with low incomes. However, more rigorous research and evaluation is necessary to demonstrate which of these approaches, if any, is effective in accomplishing that goal. OPRE's last two research questions for this study focus on research and evaluation:

4. What are the efforts to evaluate financial capability interventions or services in employment and training contexts to date?
5. What are the research gaps in these areas and options for future research and evaluation efforts to address them?

The literature synthesis conducted for this project provided information on existing evaluations and research gaps. In this section, after briefly discussing the findings from the synthesis, we discuss potential approaches for future studies as informed by this study's new findings.

The synthesis concluded that "There is limited research specifically examining the implementation and effectiveness of programs that integrate financial capability interventions into E&T programming" (Treskon et al., 2021). It identified only a small number of studies that provided causal evidence about the effectiveness of integrated programs. These included a quasi-experimental study of the Local Initiatives Support Corporation's (LISC) Financial Opportunity Center (FOC) model (Roder, 2016) that found some positive impacts on employment and financial outcomes, and a randomized evaluation of a transitional jobs program serving adults leaving TANF that included a financial counseling component (Collins &

Nafziger, 2019) and led to relatively modest improvements on some financial outcomes. The synthesis also identified several descriptive and implementation studies of programs incorporating both employment and financial capability components. The authors of the literature synthesis concluded that "additional evidence building is needed to support evidence-based policy and program decisions regarding program integration." The limited body of evidence suggests that there are opportunities to further examine the impacts of integrated interventions on financial and employment outcomes, as well as to explore effects from the interaction between the two types of services.

The findings discussed earlier in this report provide new information on the variation among integrated programs in terms of their components. They also provide a framework for understanding the range in the level of integration involved in such programs through the identification of specific dimensions and models of service integration. As such, findings from this study can help inform the direction that research studies could take to answer questions about the implementation and impacts of these programs.[20]

In the sections below, we explore the feasibility of evaluating organizations integrating E&T programs with financial capability interventions in light of the programs examined in this study. We focus on three study types: impact, implementation, and cost-effectiveness.

vi. Considerations for Impact Studies

Impact studies attempt to measure changes in outcomes causally attributable to an intervention by comparing the outcomes of participants who are offered an intervention to a comparison group to which it is not offered. These studies are often categorized into two groups—those employing an experimental design involving a randomly determined comparison group, and those using a quasi-experimental design that use other approaches to determine an appropriate comparison group. Each type of approach has advantages and disadvantages. In this section, we lay out considerations for potential future experimental and quasi-experimental studies of integrated E&T and financial capability services.

We consider four potential types of experimental designs, including what could be learned from each, and some considerations about implementing each design. We also provide more general considerations about the feasibility of experimental evaluations overall. We then discuss a selection of potential quasi-experimental designs.

Experimental research designs. Evaluations involving experimental designs involve randomly assigning individuals to a treatment group that is eligible to receive the program or services being evaluated, or to a comparison group that is not able to receive those services. These are

[20] The study team also explored the existence of current evaluations underway that may provide more evidence in this topic area. During interviews, the study team asked organizations whether they were involved in any current evaluation efforts. Two organizations (CFE Fund and IRC) mentioned involvement in current evaluations, though findings from them have not yet been released.

often referred to as randomized controlled trials (RCTs). Some variations of these designs include (White et al., 2014):

- **Two-armed RCTs** where there is a single treatment group that can receive an intervention and a control group that cannot.
- **Multiple-armed RCTs** where one group can receive one intervention, and another group can receive a different one.
- **Factorial designs** in which one group receives one intervention, another group receives a different one, and an additional group can receive both interventions. In addition to measuring the impacts of different interventions and their combination, this design allows a measurement of potential interaction effects between interventions—that is, if the impact of each intervention is different than the combined impact of each taken individually (Duflo et al., 2006).[21]

Relatedly, for the purposes of this discussion, it is also useful to distinguish two types of research questions about impacts that experimental designs can answer (Bloom, 2006):

- Estimates of **net impacts,** or "the impact of specific treatments versus no such treatments," or
- Estimates of **differential impact**, or "the difference between impacts of two or more treatments."

With these distinctions in mind, we discuss several broad possibilities for evaluations using experimental designs. We then discuss various considerations related to evaluations using experimental designs and how they apply to some or all of the different options discussed. Possibilities for evaluations using experimental designs include:

Tests of the net impacts of integrated models. Such evaluations would involve a two-armed test randomly assigning individuals to a treatment group that is eligible to enroll in an integrated program and receive any of the services that its design entails, or to a comparison group that is not able to receive any of the program's services. This would allow for measurement of the net impacts caused by the integrated program taken as a whole. It would not be well designed for rigorous impact measurements of any particular component of the model. As a result, it would not show whether an integrated model that includes both components leads to any better outcomes than either type of services independently. Nonetheless, findings of positive impacts on a scale larger than what is usually found in evaluations of other models of E&T programs or financial capability programs could suggest that the integration itself is a factor in the program's effectiveness.

Tests of the differential impact of financial capability services as an addition to E&T services (or vice versa). In these studies, both study groups would be able to participate in a program's E&T

[21] Duflo et al., 2006 refers to factorial designs as "cross-cutting."

components, but only the treatment group members would receive the financial capability services. Any differences in outcomes would then show the impact that an integrated set of services has above and beyond E&T services alone. Conversely, the control group could receive just the financial capability services instead of the E&T services. In this case, any differences in outcomes would show the impact integrated services have beyond financial capability services alone. Compared to the tests of the net impacts of integrated models taken as a whole, such studies would have the potential to look more directly at the effects of integration insofar as they could show whether adding the second component improves outcomes for participants.

Tests of integration using a factorial design. A factorial design for testing integration could assign participants into four groups—one receiving the integrated services, one receiving only its E&T components, one receiving only its financial capability components, and a group that receives neither. The evaluators could then compare the outcomes of each group to the outcomes of each of the other groups. This design would allow measurement of the net effect of each component and of the integrated model as a whole, as well as of the differential effect of each component relative to the other, essentially allowing an understanding of how the individual components contribute to any impact.

In addition, as noted earlier, factorial designs allow the measurement of the effect of the interaction between two interventions. In this case, it would allow a measurement of the interaction between E&T services and financial capability services, and whether offering these services together produces a benefit that is more than just the sum of the effects each has separately. For instance, the CFE Fund's theory of change focuses on what it refers to as a "supervitamin effect" whereby financial capability services do not just improve personal financial stability and well-being but also has positive spillover effects for other types of services that allow them to be more effective. In essence, this means that a factorial design has the potential to provide a more robust understanding of how integration between E&T and financial capability services contribute to participant outcomes than the other options discussed above.

Tests of design features of integrated service models. A different set of possible studies using experimental designs would focus less on integration itself (that is, on the impacts of integrated models overall or of the contributions of E&T or financial capability services to such models) but rather on design features of integrated programs. Such studies would focus on differential impacts of particular design choices.[22] For example, tests could compare inclusion of one type or set of E&T services to a different type or set, or similarly compare different types of financial capability services. Evaluations could focus on the impact of including other components or resources beyond E&T or financial capability services. They could compare different design choices in the implementation of program services. Examples of potential focuses of such tests include:

[22] Multi-armed or factorial designs testing design features are also possible; for simplicity, we do not focus on those here.

- How dosage–the amount and intensity of services–offered to participants might affect the effectiveness of the services (by offering one group more intensive services and the other less intensive ones). This could be a matter of comparing, say, a financial coaching model that offers a higher versus lower number of coaching sessions, or could be a matter of comparing financial education workshops to a more intensive financial coaching model.
- The effectiveness of different strategies to address the finding that there are challenges in providing financial capability services to participants facing short-term, acute needs. For example, the treatment group, but not the comparison group, could be given additional resources (beyond what the program normally offers) to address those immediate needs. Researchers could then measure whether this results in better outcomes for the treatment group.
- Strategies to keep E&T participants engaged in longer-term financial capability services after they have found a job or after they have completed their employment services, which could be tested by applying these strategies only to treatment group members.
- More generally, what program features lead to higher take up of offered program services.

Considerations regarding experimental designs. We note here several considerations relevant to potential experimental design approaches.

Sample sizes needed. RCTs require sample sizes large enough to detect impacts with enough precision (White et al., 2014). The sample sizes needed differ in part based on the hypothesized size of the impact that an intervention will have—larger hypothesized impacts do not require as much sample to detect as smaller hypothesized impacts do. As a result, the sample sizes needed for tests of the net impacts of integrated models taken as a whole may be lower than for some of the other potential designs discussed, such as differential tests of one component as an addition to the other (at least to the extent they focus on the same outcomes). That is because the model taken as a whole may be hypothesized to have more of an impact on financial well-being and other participant outcomes than any of its components, and therefore possible to measure at lower sample sizes.

Furthermore, additional groups involved in an RCT may increase overall sample size needs; multi-arm tests independently looking at different treatments will require higher sample sizes than one-armed tests. That said, for studies aiming to look at the different contributions of each component, factorial designs require less sample size than other alternatives and may not require more sample than some one-armed tests.[23]

[23] See discussion of sample size requirements in factorial designs in Somers, M., Collins, L., Maier, M. (2014). *Review of Experimental Designs for Evaluating Component Effects in Social Interventions.* Produced by American Institutes for Research for *Head Start Professional Development: Developing Evidence for Best Practices in*

With tests of design features of integrated service models, sample size needs will depend in part on the specific feature being tested. If the hypothesized size of the impact of the design feature being tested is modest, such a design could require high sample sizes to have a chance to detect that impact.

In general, understanding the feasibility of achieving needed sample sizes for any design would require more exploration. This exploration should focus not just on the number of people enrolled in programs but also the expected take-up of both financial capability and E&T services, as lower levels of take-up could increase sample size needs. Working with organizations to understand participant motivations around enrolling in services could help in predicting take-up. Similarly, study designs should understand the intended and actual number of services clients are likely to receive. Lighter touch interventions may be unlikely to demonstrate measurable impacts without very large sample sizes.

This study did not gather consistent information on the number of people served in integrated programs.[24] Some of the programs examined in this project are simply too small for an experimental study. On the other hand, anecdotally, the presence of larger programs suggests that it is likely possible to identify programs large enough to support an experimental evaluation. In addition, it may be possible to use an experimental design that pools across multiple programs to increase sample size, particularly given that many organizations base their program designs on similar models such as the LISC FOCs.

Issues related to developing a control group. In tests of the net impacts of integrated models taken as a whole, the random assignment design would likely require a "no services" control group that does not receive the integrated program or its components from the provider, at least for a period of time. (Control group members could still access other services available in the community.) Similarly, one of the groups involved in a factorial design study as described above would be a no-services group. Both for ethical reasons and to ensure buy-in of service providers, it would be important to identify programs capable of recruiting more people into the study than they can serve.

Identifying and recruiting organizations to participate in such a study may be difficult as administrators and staff are often uncomfortable with withholding services from individuals assigned to the control group. Nonetheless, some factors may help organizations be more amenable to such designs:

- Some may be more comfortable with designs using "wait list control groups" in which control group members can enter the program after a delay (consistent with the study design) rather than being fully denied participation.

Coaching. Washington, DC: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Planning, Research and Evaluation.

[24] The survey asked about the number of people served by organizations to get a sense of organization size, but the survey question was not specific to the integrated services of focus in this study.

- Organizations that already have a wait list for services that they cannot fully serve given funding or other constraints may be most willing to establish such a design. Alternatively, it may be feasible for programs with well-established outreach and recruitment processes to increase recruitment to a point where they can create a wait list.
- Recruitment of organizations into an evaluation may be easiest when accompanied with additional program funding to support a new intervention as a demonstration, to expand an existing program, or simply to support recruitment and other program operations.

Conversely, recruiting organizations to participate in the evaluation may be easier when they are not required to turn away individuals assigned to the control group from all services. This would be the case in tests of differential impacts of E&T or financial capability services, as well as in tests of design features of integrated models.

Organizations implementing different models of integrated services may also be more or less amenable to different tests and developing the control group needed for them. For example, organizations with existing programs that conceive of themselves as providing bundled services—in the terminology used earlier in this report, those with unified conceptions on the *vision* dimension and expected participation arrangements on the *service participation arrangements* dimension—may be hesitant to separate services in a way that would be necessary for a test of the differential impact of one type of service as an addition to the other or for a factorial design. They may be more amenable to a test of their integrated model as a whole. In contrast, tests of differential impact or factorial designs may be easiest for organizations operating models that already reflect a separation between E&T services and financial capability services in either conception or service flow (that is, those with supportive conceptions of services on the *vision* dimension or optional participation arrangements on the *service participation arrangements* dimension) or that are newly implementing an integrated model. Tests of design features could be appropriate for any type of integrated model, depending on the specific program features to be tested.

Issues related to costs and funding. Implementing and monitoring evaluation procedures in an experimental study can be more involved and therefore costly to programs or to an evaluation's funders than approaches that do not involve random assignment.

In addition to the cost of evaluation procedures, recruiting organizations into an experimental evaluation may be easiest when a funder provides additional program funding. As noted earlier, such funding could support a new intervention, expansion of an existing program, or increased recruitment and program operations. For example, providing new funding for financial capability interventions to E&T providers who do not currently offer integrated services may create broader opportunities for tests of the differential impact of financial capability services. Given findings that some organizations first adopted integrated models based on funder requirements, new funding could also create opportunities for differential tests within the

context of bundled models as they could continue to provide their preexisting services to control group members. Similarly, providing new funding for new service components could create broader opportunities to test design features of integrated services models. Funding for program operations may also make accepting a no-services control group, including in the context of a factorial design, more acceptable to organizations.

Opportunities for participatory research. Tests of design features may allow for participatory research approaches in which researchers work with organizations to understand what program elements they would be most interested in testing themselves. (We also discuss participatory research opportunities in the section on implementation research, below.)

Data availability. Another consideration is to ensure that data collection and client tracking are robust, especially if the evaluation will rely on outcome data from the programs. While this study gathered information on the data tracked by each organization interviewed, it did not extensively examine the completeness, comparability, or quality of the data. Other data sources may be possible for measuring outcomes, such as evaluator-conducted surveys or external administrative data, such as wage records. These still require reliable identifiers from the program.

Involvement of multiple organizations. This study described both centralized models of integration and those that rely substantially on partnerships. Survey findings presented in Chapter 4 suggest that, specifically in respect to financial knowledge services (i.e., financial education, financial coaching, or financial counseling), both models are fairly common among organizations providing both E&T and financial capability services. Programs that rely substantially on partnerships may present challenges for implementing evaluation procedures and obtaining data. Centralized models with higher degrees of integration on other dimensions may be more likely to collect data systematically across different service types. In contrast, programs that involve partnerships between multiple organizations will require collaboration across all those groups to obtain and link client records. Similarly, it may be easier for evaluators to coordinate and ensure fidelity to random assignment procedures when only one organization is involved.

Point of randomization. The timing of randomization in experimental evaluations affects the comparison the evaluation will test. Randomization for testing the net impacts of integrated models (or factorial designs that include a measurement of net impacts) would ideally occur as part of the intake process, after eligibility for program services has been confirmed but before enrollment is completed. In this design, the evaluation will assess the impact that the opportunity to participate in the integrated program has on the outcomes of eligible individuals. In contrast, researchers may want to consider different options for the point of randomization for tests of differential impacts—either those measuring the additional impact of financial capability services (or E&T services) or those testing design features. Randomization could occur at intake or at a later stage, such as when a client expresses interest in a given service type or when a program is considering a referral to the service. The implications of the measurements within each type of study would differ slightly depending on this choice.

Implementing designs with randomization at intake is likely more straightforward in organizations with centralized intake processes for all types of services. On the other hand, randomization for assessing differential impacts at later stages may also be feasible in less centralized structures, depending on specific program details.[25]

Interaction with implementation studies. Any impact study should be paired with a robust implementation study to understand how program models and theories of change comport with actual concrete practice.

Quasi-experimental designs. Quasi-experimental designs (QEDs) do not involve random assignment but instead identify a comparison group similar to the group receiving the intervention to be tested (but not receiving the intervention themselves) through a variety of other techniques (White & Sabarwal, 2014; Athey & Imbens, 2017). In cases where experimental evaluations are not possible or appropriate—due to ethical considerations, difficulty in recruiting organizations to undertake an experiment, the costs or disruption involved in setting up an experiment, or because implementation of a new intervention has already occurred—QEDs may be preferable alternatives for measuring the effectiveness of an intervention.

Depending on the design, QEDs may have different data needs than experimental studies. In experimental evaluations, comparison groups are often comprised of individuals seeking or obtaining services from an organization involved in the evaluation. This provides opportunities for the evaluators to obtain at least some information about them directly from the organization or with its involvement. In contrast, in many QEDs, information on the control groups must come in other ways. Further, QEDs require data to confirm that the comparison group is sufficiently similar to the group receiving the intervention in ways that do not apply in experimental evaluations. Some designs require larger sample sizes compared to RCTs testing similar interventions in order to establish a similar control group. Opportunities to conduct studies using QED methods depend on being able to identify data sources or appropriate ways to obtain new data for each method.

We discuss here a selection of potential QED techniques and discuss their potential application to studies of integrated E&T and financial capability services.

Difference-in-difference (DiD) and synthetic control methods. DiD studies compare groups receiving a treatment to similar groups not receiving a treatment, observing how the outcomes of each change from before to after the treatment is implemented. The assumption is that the change in the comparison group reflects what would have happened in the treatment group if the treatment had not occurred (i.e., a "counterfactual") (Athey & Imbens, 2017). Sophisticated

[25] It is important to note that these considerations focus on RCT measurements of the "intent to treat" (ITT) effect, or the average effect of offering the intervention, rather than the effect of participants actually receiving the intervention, known as the effect of "treatment on the treated" (TOT). Bloom (2006) points out that there is no internally valid way to estimate TOT effects experimentally, though the study discusses some possible estimates that exist under certain assumptions. It also notes that ITT effects are often the relevant consideration for policy questions where programs can only offer services and not require them.

versions of this approach incorporate "synthetic control methods," employing techniques to develop weighted averages across comparison groups to obtain better estimates of the counterfactual.[26]

Such designs may be possible for measuring the effects of integrated service models; for example, evaluators may be able to identify programs offering similar E&T services that do not involve integrated models, where one then begins to institute an integrated model. If appropriate data is available (or gathered) at time points both before and after the implementation of the intervention, evaluators could use the one program's change in services to estimate the impacts of the new intervention. Networks like LISC or the CFE Fund may be able to identify when such new interventions are likely to occur. Similarly, multiple workforce agencies within a region offering different services could potentially serve as a focus for such a study. This would likely be a more feasible way to measure differential impacts of adding financial capability services to existing E&T programs versus a method of measuring the net impact of an integrated model taken as a whole.

Regression Discontinuity (RD) designs. RD studies take advantage of situations where "the probability of participating in the program changes discontinuously at a threshold value" (Athey & Imbens, 2017). Individuals on each side of that threshold, but close to it, may be assumed to be similar enough that the group less likely to participate in the program could serve as a comparison group for the group with the higher probability of participating.

In the context of integrated models, enrollment or eligibility procedures might create discontinuities if they involve arbitrary cut points to determine who participates in the integrated program overall or in one of its components. For example, if an organization providing E&T services used a minimum score on an assessment to determine who among their participants receives financial capability services, the participants with scores in a range just under that minimum could serve as the comparison group for the group that receives the services.

The current study did not explore or identify situations where such conditions exist. Researchers could explore further if any exist or if programs may be more amenable to establishing such processes in lieu of conducting random assignment. That said, sample size requirements may be a barrier to this method; RD designs typically require larger sample sizes than an RCT to detect effects of the same size.[27]

Propensity score matching (PSM). In PSM methods, researchers match individuals receiving a treatment with similar individuals drawn from a group not receiving the treatment based on observable characteristics. The technique for matching uses data on those characteristics to

[26] For a thorough discussion of synthetic control methods, see Abadie, A. 2021. "Using Synthetic Controls: Feasibility, Data Requirements, and Methodological Aspects." *Journal of Economic Literature,* 59 (2): 391-425.
[27] See, for example, discussion in Schochet, P. Z. (2008). Statistical power for random assignment evaluations of education programs. *Journal of Educational and Behavioral Statistics, 33*(1), 62–87. https://doi.org/10.3102/1076998607302714.

create a propensity score, or a measure of the probability of receiving the treatment based on the observable characteristics. The matched individuals not receiving the treatment then constitute a comparison group (White & Sabarwal, 2014).

Studies involving PSM methods may be the easiest QED methods to implement, as there are many potential sources of comparison groups comprised of individuals accessing E&T services that are not integrated with financial capability services. However, these designs require pre-intervention data on characteristics that are likely to be correlated with selection into the treatment group from both sets of individuals to establish an appropriate comparison group. It may be difficult to implement this design with a high level of rigor depending on available program or administrative data. Further, failure of the data or matching procedure to account for any unobserved factors that affect the probability of receiving the treatment could lead to biased estimates and undermine the appropriateness of the method (White & Sabarwal, 2014).[28]

Other quasi-experimental designs. This report did not give exhaustive consideration of all potential QED approaches. The papers referenced discuss other potential QED approaches, including event studies and interrupted time series approaches, among others (White & Sabarwal, 2014; Athey & Imbens, 2017; Miller, 2023).

vii. Considerations for Implementation Studies

This study aimed to identify the variety of integration approaches, design features, implementation details, and key characteristics of programs currently integrating both E&T and financial capability services. Its mixed method data collection using quantitative surveys and qualitative interviews with management, frontline staff, and clients allowed us to identify common themes and provide details on some of these integration approaches. However, the information collected did not represent an exhaustive examination of all programs that exist. Future implementation studies could build on this work by delving more deeply into program practices, potentially using additional tools and modes of information collection. Below, we discuss some potential directions for future implementation research.

Development of program theories of change and using them for program improvement. While some organizations using more established models—such as the LISC FOC model—reflected an existing, formally developed logic model or theory of change, other organizations had not developed such frameworks. Evaluators could work with organizations to help them develop or tailor models for their programs to better understand how their program elements relate to individual outputs, outcomes, and overall intended impacts. These tools could help them better understand their processes as well as prepare for future evaluation.

[28] See also Dehija & Wahba, 2002 (citing Heckman and Robb, 1985): "An important issue is whether the assumption of selection on observable covariates is valid, or whether the selection process depends on variables that are unobserved... Only when the researcher is comfortable with the former assumption do propensity score methods come into play."

In addition, by working with organizations to co-create or co-review theories of change, evaluators have an opportunity to engage in participatory research design. They can collaboratively identify research questions and study approaches that are relevant to both researchers, practitioners, and participants.

Further, this could be an opportunity to use an improvement science approach that incorporates an iterative "Plan-Do-Study-Act" (PDSA) research design model.[29] In the PDSA model, the 'plan' stage is used to identify activities, outcomes, and measurement approaches; the 'do' stage is when activities are carried out; the 'study' stage involves data assessment; and the 'act' cycle is the development of a subsequent program iteration. By providing more immediate feedback loops, this sort of model can be attractive to practitioners who want to improve the reach and effectiveness of their services and may be less interested in more traditional studies that provide insights after the conclusion of the research project.

Incorporation of additional modes of information collection. As noted above, the current study's examination of the interviewed organizations was not exhaustive. Future implementation studies could use additional modes of information collection to provide details in areas not addressed in this study. Some potential examples include:

- *Reviews of curricula, tools used in coaching or counseling sessions, and other materials*. As with direct observations, a review of these materials would contribute to more robust program descriptions and could provide data for additional descriptive comparisons between programs.
- *Case file reviews.* Case files or comparable electronic participant data from management information systems can provide additional qualitative data on participants and their interactions with the programs delivering integrated services.
- *Analysis of program data on services delivered.* Quantitative analysis of service receipt and participant retention could be particularly useful in better understanding the challenges described in this study of retaining participants after their acute needs are met.
- *Direct observations of program activities.* Such observations would allow researchers to provide additional detail on the ways organizations deliver services to their participants and more robustly describe specific programs' services.

Deeper focus on additional topics. Some of the inputs into program activities discussed earlier could benefit from a more detailed examination than this study was able to provide. One example is staff credentials—both the professional background of staff who deliver financial capability services in integrated settings and the training provided to them by the organizations for which they work. As described in Chapter 6, the backgrounds and credentials of staff

[29] See discussion of the PDSA approach in Kennedy, Stephanie and Kathleen Ryan Jackson (2022). *PDSA Cycles: Improvement and Implementation.* National Implementation Research Network. Available at https://nirn.fpg.unc.edu/practicing-implementation/pdsa-cycles-improvement-and-implementation.

differed from program to program, as did the training organizations provided to them. While interviews revealed that several of the organizations included in this study provide some training to their staff, the interviews did not devote time to understanding the specifics of that training.

More robust or systematic engagement with program participants. This could involve more resources for outreach to and interviews with program participants. In studies with smaller qualitative components, participants interviewed tend to be those who are easier to reach and have active and relatively positive relationships with the organizations being studied. Using sampling approaches to select participants for interviews and dedicating additional resources to engage those with weaker connections to the organizations could help ensure the inclusion of perspectives from a broader, and potentially more representative, range of participants.

More robust engagement could also include longer-term interactions with individuals. Interviews with the same participants at multiple points in time could provide a fuller picture of participant perspectives and experiences in different phases of their engagement with a program.

Future studies could also use a participatory research design, including participant-led study design, data collection, and "meaning making" (or co-interpretation of data). This could be accomplished through participant advisory councils or the engagement of individual participants with "lived expertise."[30]

viii. Considerations for cost studies

Various types of analyses are possible to analyze the costs involved in implementing an integrated E&T and financial capability services model:

- A basic cost analysis could document the costs associated with different components and inputs involved in the model. A relatively simple version may focus only on the financial costs to the agency or agencies administering the program, documenting components of costs such as personnel, other direct and indirect costs, and in-kind costs. More sophisticated analyses might incorporate estimates of other costs to society, most notably costs to participants of the time spent engaging in program services.
- Cost-effectiveness studies integrate outcome findings to determine a cost per outcome achieved, or, if done in conjunction with an impact study, a cost per impact achieved. For example, if an impact study finds that the addition of a financial capability component to an E&T program increases entry into employment among those served, a cost-effectiveness analysis could estimate the cost per additional job obtained. As with

[30] Some relevant resources on participatory methods are available at the Urban Institute's Community Engagement Resource Center (https://www.urban.org/research-methods/community-engagement-resource-center#home).

cost analyses, the costs considered could be limited to costs to the agencies administering the program or could include broader estimates of social costs.

- Cost-benefit studies typically incorporate consideration of a wider range of benefits than cost-effectiveness studies; rather than focusing on one or more particular outcomes affected by the intervention, they may try to incorporate multiple costs and benefits adhering not just to program participants but to different components of society. They involve developing estimates of the monetized value of the costs and benefits (i.e., expressed in terms of dollars). This may be relatively simple for some hypothesized benefits of integrated services, such as increased earnings or assets, but may be harder for more abstract benefits related to financial well-being, such as a sense of security in one's financial future. Cost-benefit analyses often involve many assumptions, and their findings may be very sensitive to the choices that underly those assumptions.

In each case, it may also be possible for the analysis to distinguish for whom the impacts and costs occur, allowing for additional understanding of the equity implications of implementing an integrated model.

While cost studies of integrated models are generally feasible, the sophistication and quality with which such studies could be carried out depends on the availability of financial data and other data from the organizations, including whether there is a concurrent impact study of the model occurring. Basic cost studies are likely more feasible and could provide useful information to the field with sufficient data. For example, for an audience of providers of E&T or other services who are not currently delivering financial capability services but are considering doing so, it could be useful to know the costs involved in implementing an integrated intervention for both more and less robust models of integration. Accounting of staffing costs may help organizations decide whether to implement services in-house or through partnerships. Depending on outcome measurements occurring in the context of an impact study, extending those analyses to include some cost-effectiveness measurements is also likely feasible.

A broader analysis that attempts to incorporate the full social costs of interventions could be valuable to the field, but this study did not explore the availability of information that might support such analyses. That said, data tracked by organizations implementing integrated services or gathered through participant surveys could likely provide estimates of the time participants spend in services.

ix. Potential focuses for future studies

Based on the considerations presented above and findings from the overall study, including the review of the existing literature, we recommend here consideration of areas in which further exploration could be particularly valuable:

- **Factorial design studies of integrated models.** As noted above, factorial designs have the potential to provide the most robust understanding of integration between E&T and financial capability services. In particular, the measurement of the interaction between the E&T and financial capability services that factorial designs allow would be an innovation in the body of knowledge around such programs. It would help researchers, policymakers, and program administrators understand whether E&T and financial capability services contribute more to outcomes for individuals with low incomes when combined than their separate contributions. This would be a step forward in understanding regardless of the model of integration to which it is applied, but would be of most interest for models with the highest degree of integration. Challenges exist with the cost and burden of implementing a design involving multiple comparison groups, meeting sample size needs, and recruiting an organization (or organizations) willing to operate the no-services condition. Nonetheless, the potential learning from such a design makes it worth exploring.

- **Studies exploring strategies to address short-term needs.** The finding that there are challenges in providing financial capability services to participants facing short-term needs arose from multiple data sources. Potential studies could focus on E&T or financial capability services providers that provide or arrange resources for participants to address those immediate needs while they are engaged in program services. The studies could explore whether that leads to more or longer participation in both types of services, or could explore if such resources improve the employment or financial well-being outcomes of participants. Such evaluations could either be implementation studies or short-term experimental studies measuring the differential impacts of offering the resources. Another approach could be to study strategies for keeping E&T participants engaged in longer-term financial capability services after they have found a job or after they have completed their employment services.

- **Tests of different types of financial capability services.** Differential impact designs could compare the types of financial capability services offered to E&T participants—say, financial education workshops versus coaching—and see if one leads to any meaningful differences in program outcomes or outputs (e.g., depth of engagement with E&T services). Including a cost analysis may allow programs to understand if higher-cost financial capability services are worth the resources.

- **Other tests of design features.** A range of other program design features may be worth testing using a differential impact design. As noted earlier, there are opportunities to take a participatory approach and work with programs or participants to identify the features of integrated models they are most interested in testing.

- **Comparing financial capability services to providing cash.** Evaluations that compare the impacts of an intervention to the cash value of the intervention (what it costs per participant to administer it) are increasingly common. A test with a differential impact design could offer one group of E&T participants financial capability services, such as coaching, and another the opportunity to open a low-cost bank account with a cash deposit at an amount meant to approximate the cost of coaching. Comparing the employment and financial outcomes of the two groups could help determine if financial coaching is an efficient use of resources. A cost analysis before or concurrent with the experiment could help determine the appropriate cash amount for the comparison.

- **Exploring strategies coaches use to tailor services.** A key advantage of coaching identified in this study is coaches' ability to tailor services to individuals' needs. An implementation study could further explore different strategies coaches in such programs use to tailor services to each participants' individual immediate needs.

- **Understanding the value of staff training and credentials.** As discussed earlier, a study could explore the implications of differences in staff credentials or required training. A comparative study could examine (descriptively) the differences in the program and participant experiences when new staff with specific qualifications in financial capability are hired, versus providing training to existing staff delivering E&T services. Alternatively, a study could explore how hiring former program participants or other individuals with lived experience to deliver financial capability services may affect the experience of participants.

- **Engaging participants in study design.** Finally, as noted earlier in this chapter, there are opportunities for future studies to use participant-led participatory study designs. This study's interviews with participants demonstrated that individuals served by these programs have a number of ideas for program improvements. Engaging participants in determining the nature of some future studies could help ensure that the body of research is informed by their priorities.

Box 2: Suggested Areas for Future Research from Project Briefs

As noted earlier in this report, the Integrating Financial Capabilities and Employment Services project also includes several reports and briefs on specific topics related to the connection between financial capability services and employment. Two of them suggest related areas for future research.

One brief, *Employer-Provided Financial Capability Services*, focuses on employer-based financial capability services that employers provide to their employees (Martinchek et al., 2023). These services are a potential channel to support the economic well-being of workers with low and moderate incomes, but little research on them exists. (See Box 1 in Chapter 5.) The brief suggests two directions for future research:

- **Rigorously evaluating employer-based financial capability services' efficacy**: Research on program efficacy in the context of employer-based programs could help changemakers understand how financial capability services delivered via employers might impact different dimensions of financial well-being, for whom different services work best, and in what contexts these services are most effective. This research could be informative to employers' decisions and the development of financial capability services for their employees.
- **Tracking implementation challenges and solutions:** Interviews with employers providing financial capability services to their employees identified several challenges they faced in implementing such services. These included 1) scaling up administrative capacity as employee demand for services increases, 2) meeting the linguistic needs of all employees through materials in multiple languages, 3) creating information collection processes to inform the development and tailoring of services to the diverse financial well-being needs of employees, and 4) assessing the balance of costs and benefits (to employees and the organization) in offering such services. Research could explore these implementation challenges and potential solutions to them.

The other brief, *Preemployment Credit Checks: Practices, Effects, and Implications*, focused on pre-employment credit checks that employers use in background checks before hiring employees (Congdon et al., 2023). It finds that such checks appear to be widespread and could have the potential to impact economic security for workers, with a potentially disproportionate impact on workers with low incomes. The brief also suggests directions for future research, including:

- Identifying which forms of financial capability programming are best suited for addressing the needs of workers directly affected by pre-employment

credit checks (e.g., financial counseling or financial coaching to help improve credit for those engaged in job search).

- Exploring the timing of delivering such programming that might best engage workers in financial capability services and improve their employment prospects (e.g., in advance of applying for jobs).
- Exploring whether inaccuracies or outdated information on credit reports are negatively impacting workers and if any short-term interventions could effectively address such issues.
- Examining how changing policy contexts (e.g., reforms affecting voluntary medical debt credit reporting, the most common form of debt in collections) may affect workers and employers.
- Examining how different employer credit reporting practices affect workers.
- Understanding how costs and benefits of pre-employment credit checks differ across groups of affected workers, including by race, geography, industries and occupations, and skill and education levels.

Appendix A. Profiles of Organizations Interviewed

All programs participated in phone interviews.

* indicates programs with which the study team conducted virtual site visits.

† indicates programs that completed the survey.

Amos House †

Amos House is a non-profit in Providence, RI that serves individuals experiencing homelessness, unemployment, or living in poverty. Its mission is to "help people help themselves out of oppression, homelessness, and poverty through vital services and results-oriented programs." Amos House delivers training programs to help participants gain skills. Amos House also operates a Financial Opportunity Center that provides participants with a bundle of services, including employment assistance, financial coaching, and assistance with accessing income supports. Employment & training services offered by Amos House include a Workforce Essentials program that provides participants with skills and work readiness topics over three weeks before they enter more specialized job training.

CFE Fund †

The CFE fund is a non-profit that is headquartered in New York City but works in 112 cities around the United States. Its mission is to "leverage municipal engagement to improve the financial stability of low and moderate income households by embedding financial empowerment strategies into local government infrastructure." The CFE fund provides funding and technical assistance to cities to help them embed financial empowerment into city services. This includes services related to asset building, banking access, consumer financial protection, and financial education and counseling. The CFE Fund is currently launching an initiative to link employment and financial capability services and has an ongoing pilot initiative linking financial capability services to small business and entrepreneurship supports.

Equus Workforce Solutions †

Equus Workforce Solutions is a national contractor that provides technical assistance for workforce services programs. The study team spoke with an affiliated office in rural Pennsylvania. They provide three 90-minute workshops focused on financial capabilities, including banking, budgeting, and financial literacy. These workshops are optional, except for participants in a Paid Work Experience placement who are required to take at least one of them. The workshops count towards work participation requirement hours for benefits programs like TANF. They also provide employment services through an entrepreneurship class, which has helped people turn under-the-table businesses (e.g., lawn care) into legitimate small businesses.

Instituto del Progreso Latino †

Instituto del Progreso Latino primarily serves Latinos with low incomes on Chicago's South Side. Its mission is to "contribute to the fullest development of Latino immigrants and their families through education, training, and employment that fosters full participation in United States society while preserving cultural identity and dignity." Instituto provides employment services such as ESL, job training, and community college courses. It also provides financial capability services that include financial education, coaching, counseling, public benefits support, and referrals for bank accounts. The programs are group-based, but participants can request one-on-one meetings if desired. The two programs operate in parallel, and staff and coaches share updates on participants' progress ad hoc. However, participants who seek one service are not required to participate in other services.[31]

International Rescue Committee *†

The International Rescue Committee works in more than 40 countries and in 28 cities in the U.S. We conducted a virtual site visit with a location in Virginia. Its mission is to "help people whose lives and livelihoods are shattered by conflict and disaster, including the climate crisis, to survive, recover and gain control over their future." It primarily serves immigrants, with a little over half being refugees. Their national office manages direct services and local teams providing direct services. Employment services provided include assistance with identifying career paths for living wages, business-skills training, mentorship, childcare and transportation, ESL, and access to business grants and loans. They also provide financial capability services through financial management, adopting the LISC model, and integrate employment and financial capability services in house.

JEVS Human Services *†

JEVS Human Services is a non-profit located in Philadelphia, PA. Its mission is to "enhance the employability, independence, and quality of life of individuals through a broad range of programs." One employment and training program offered by JEVS is Work Ready, which provides comprehensive employment services to those receiving Public Assistance benefits, including long-term TANF recipients. JEVS partners with two organizations that provide financial capability programming that are integrated with the employment and training services provided by JEVS: Drexel's Building Wealth and Health Network, and Clarifi. Drexel provides financial education through its trauma-informed, healing-centered financial literacy program in which individuals participate in financial education and personal empowerment classes, open a credit union savings account, and are eligible for matched savings and incentives. Clarifi meets with participants once or twice and focuses on understanding and building credit.

[31] One of Instituto del Progreso Latino's programs participated in an earlier OPRE study, Pathways for Advancing Careers and Education (PACE), which focused on career pathways programs. Information on the PACE study is available at https://www.acf.hhs.gov/opre/project/pathways-advancing-careers-and-education-pace-2007-2018.

LIFT †

LIFT serves parents in Chicago, Los Angeles, New York, and Washington D.C. with children eight and under, specifically parents with low incomes and parents of color. Its mission is to "break the cycle of poverty by investing in parents." They provide one-on-one long-term employment and financial coaching that is participant-driven, so services are tailored to what parents individually need. LIFT also provides $150 direct cash payments every three months to parents in the program. LIFT coaches use the Consumer Financial Protection Bureau's "Your Money, Your Goals" toolkit in coaching sessions. LIFT has partnered with Capital One, which has provided a credit counseling workshop series for several parent cohorts. Their employment services include digital literacy and entrepreneurship courses. Since the supports provided are participant-driven, there is no formal integration of financial capability and employment services. Participants work one-on-one with a central coach who provides both financial and employment coaching. Coaches are trained by a LIFT-created coaching model.[32]

Mission Economic Development Agency †

Mission Economic Development Agency (MEDA) is located in the Mission District of San Francisco and serves low- to moderate-income Latino families in San Francisco and the greater Bay Area. Its mission is "advancing a national equity movement by building Latino prosperity, community ownership and civic power." They provide various workforce programs, including general workforce development services, vocational training (e.g., in tech, banking, and office administration), and a cooperative development program. All employment programs integrate financial coaching. MEDA also provides financial capability services, such as coaching and asset programs, as well as guidance for obtaining work authorization and ITINs.

Opportunity Council *†

Opportunity Council is a non-profit Community Action Agency serving families and individuals who are homeless and with low incomes in Island, San Juan, and Whatcom counties in Washington State. Its mission is to "help people improve their lives through education, support, and direct assistance while advocating for just and equitable communities." Opportunity Council delivers employment services through two programs: the Basic Food Employment and Training program, which serves SNAP-eligible job seekers, and the Foundational Community Support program, which serves job seekers on Medicaid. Opportunity Council provides financial education through free voluntary workshop series that are open to the public. F.L.A.R.E. is a series of classes designed to increase adults' knowledge and skills in budgeting, credit, debt, landlord/tenant law, and savings. $wellness focuses on money culture, income, savings and spending, consumer financial protection, credit and credit reports, renter/landlord laws, and renting vs. buying, and is only available in Island County. Opportunity Council brings in guest

[32] LIFT is participating in a current OPRE study, *The Evaluation of Employment Coaching for Temporary Assistance for Needy Families (TANF) and Related Populations*. Information on that study is available at https://www.acf.hhs.gov/opre/project/evaluation-employment-coaching-tanf-and-related-populations-2016-2026.

speakers from the Northwest Justice Project, the local credit union, and local realtors. Financial education is seen as supporting similar goals as their employment and training services offered by Opportunity Council, but is not part of the same program. Opportunity Council also offers financial coaching through its Economic Security for All (EcSA) program in partnership with Northwest Workforce Council, which helps families develop financial and career skills and obtain employment. Financial coaching and employment and training services provided through EcSA are provided simultaneously. Opportunity Council is also a member of the Whatcom Asset Building Coalition.

Owens Valley Career Development Center †

The Owens Valley Career Development Center (OVCDC) is located in California's Owens River Valley and is a Native American organization operating under a consortium of Sovereign Nations. It serves 13 partner tribes in seven counties. Its mission is "providing the opportunity for improvement in the quality of life by focusing on education and self-sufficiency while protecting, preserving and promoting our cultures." OVCDC offers educational, vocational, and social service programs operated through tribal, federal and state funded grants or programs. It provides employment and training services in the form of subsidized employment and case management integrated with financial education. Case managers help individuals navigate their options and refer them to financial education opportunities like budgeting workshops if needed. The organization also requires participants to be banked and assists them with account applications.

People Empowering and Restoring Communities †

People Empowering and Restoring Communities (PERC) is a not-for-profit in Pinellas County, Florida. Its mission is to "help the offender become and remain an ex-offender, reunited with family through advocacy, education, programming, and comprehensive service delivery and referral." PERC serves people who had been involved in the justice system by addressing their needs through education and employment and providing reintegration services (e.g., temporary housing and transportation). All clients participate in the STARS program, which provides soft skills and employment training for reentry into the job market. Financial coaching is a mandatory part of the STARS curriculum. PERC also partners with People Manufacturing Career Source to provide financial literacy education and with a bank that offers additional on-site financial literacy classes.

SparkPoint Contra Costa *†

SparkPoint Contra Costa is a collaborative of non-profit and government entities in Richmond, California that work together to provide integrated services to participants. It is one of several SparkPoint centers managed by the United Way Bay Area. Its mission is to "partner with agencies to empower individuals and families to become financially sustainable and advocates for social change." SparkPoint provides coaches who support individuals in achieving their financial goals. They also provide employment and training services to help participants become more employable and find a good job. Their financial capability services are part of an

integrated suite of services designed to build income, credit, and assets for participants. Different organizations participating in the SparkPoint Center offer different services, although intake and assessment are managed centrally.

TRAC Associates †

TRAC Associates is a for-profit employment services agency located in Western Washington, with offices in Tacoma, Seattle, Kent, Tukwila, and Everett. Its mission is to "provide comprehensive vocational assistance services for all job seekers regardless of personal circumstances, to match qualified candidates to appropriate job openings, and to increase the vocational skills of Western Washington job seekers and employees to meet the emerging need of employers." It focuses on connecting participants to jobs through referrals and also provides employment and training workshops, offered in nine languages. TRAC Associates provides financial education through referrals to external partners, including Washington State Employment Security Department's Financial Capabilities Workshops, Your Money Matters, and the YWCA Money Mechanics course.

Wesley Community Center †

Wesley Community Center is a non-profit in Houston that serves families in the Near Northside neighborhoods and throughout Houston. Its mission is "investing in the potential of individuals and creating opportunities to strengthen families and neighborhoods." Its services include Early Head Start, childcare, after school and summer care for school-aged youth, food for struggling families, meals and activities for seniors, and a Financial Opportunity Center (FOC). The FOC bundles employment and training services, financial capability services, and income supports. These services are integrated so anyone coming in for one component is automatically enrolled in the others. The FOC's financial capability component includes financial coaching. Wesley Community Center also provides financial education through one-off workshops and workshop series. It partners with local credit unions and banks to help participants open accounts and with the Foundation for Financial Planning to connect participants ready for financial planning with a pro bono financial planner.

WorkSource Montgomery †

WorkSource Montgomery is a non-profit that operates the American Job Centers for Montgomery County in Maryland. Its mission is to "meet the talent attraction, development, and retention needs of strategic industries; to meet the needs of the underemployed and unemployed; and, to develop career pathways that lead to sustainable wage jobs and support a thriving mission." It is co-located with Café Montgomery, which is the Financial Empowerment Center of Montgomery County. Their co-location allows the two organizations to combine their employment and financial resources for participants. The AJC operates "one-stop centers" that offer a range of assistance to job seekers. Café Montgomery offers financial coaching and financial education workshops, as well as public benefit navigation, housing counseling, and income tax preparation.

Appendix B. Study Methodology

This appendix provides additional details on the study's data sources. It also discusses the study team's approach to analyzing the data collected.

Survey. The survey aimed to document high level characteristics of E&T programs incorporating financial capability interventions. Survey topics included which E&T and financial capability services the organizations operated, which services were integrated together, details on partnerships (including what services each partner offered, as well as the strength of the partnerships), and any past or planned evaluations of the programs.

The study team administered the survey online using Qualtrics. Potential respondents included organizations providing E&T services to populations with low incomes that also offered at least one type of financial capability service. The study team sought to survey up to 80 programs and identified potential respondents through landscaping efforts that included consultations with experts, internet searches, scans of literature, and a call for nominations distributed through social media and emails to individual contacts of the research team or federal staff. The goal of the survey was to gather information about the variety of E&T programs that integrate financial capability services. The approach to developing the survey sample emphasized organizations identified in advance as likely to offer such services. This approach did not involve probabilistic techniques to develop a sample statistically representative of the full distribution or experiences of all E&T programs integrating financial capability services.

The study team ultimately identified and sent survey invitations to 170 programs. Between February 2022, when the survey launched, and June 2022, when it closed, the study team received 62 complete responses and 5 partial responses. The organizations surveyed included a range of E&T programs. Most operated some type of federal E&T program, with the most common being the Workforce Innovation and Opportunity Act (WIOA) Adult Program, Supplemental Nutrition Assistance Program (SNAP) Employment and Training, and services through the Community Services Block Grant.

Phone interviews. The phone interviews, conducted by video conferencing with administrators of programs offering both E&T and financial capability services, were the first of several modes of semi-structured qualitative data collection aimed at providing the study team with more detailed, open-ended information than the survey could provide. Interview topics included descriptions of the E&T and financial capability services offered; program administrators' reasoning behind choosing their selected financial capability services; populations served by the financial capability services; staff involved in delivering financial capability services; program strategies seen as promising; challenges encountered in incorporating and implementing financial capability services; and plans for evaluation of integrated E&T and financial capability services, if any.

The study team aimed to conduct phone interviews with program administrators from 15 E&T programs with financial capability interventions. The team based the initial selection of

programs for recruitment on survey responses, with a goal of including a range of programs based on key dimensions that included agency types, higher and lower levels of integration, different E&T program types, and different types of financial capability interventions. We used survey responses and other available information from the survey sample identification process to ensure there was some variety in each of these dimensions. Several of the initially selected programs did not reply to outreach or declined to participate. When this occurred, the study team identified replacements either based on the survey data or based on the study team's knowledge of other relevant programs. In the end, the study team sent invitations to 23 organizations offering both E&T and financial capability services and conducted a total of 15 interviews, including 13 with programs that had completed the survey and two which were identified separately. The interviews took place between August 2022 and January 2023.

Site visit interviews. The site visits aimed to collect in-depth qualitative information from multiple perspectives on a limited number of notable models of E&T programs implementing financial capability services. They expanded on the same topic areas listed for the phone interviews, but with additional details. Each involved interviews with program administrators, staff, and representatives of partner organizations. The plan to conduct site visits took shape during the COVID-19 pandemic; as a result, interviews took place virtually via video conferencing.

The study team aimed to conduct site visits with four E&T programs. The team selected sites based on the survey responses and phone interviews, prioritizing programs that appeared to have noteworthy or innovative approaches. In addition, the team placed priority on larger programs with greater complexity since additional data collection with smaller, less complex programs would likely not have provided substantial additional information or viewpoints beyond the phone interviews. Not every program invited to participate chose to do so; the study team selected and conducted outreach to seven programs and found four that agreed to participate in the site visit. The site visits took place between December 2022 and May 2023.

Participant interviews. The study team interviewed 12 participants of E&T programs at organizations implementing financial capability services. Topics covered during these interviews included the participants' reasons for seeking services from the organizations, E&T and financial capability services received, the participants' perspective on the services and their efficacy, and their experiences with the integration of the two types of services.

The individuals chosen for interviews were participants of the four programs that were part of the virtual site visits. Study team members asked points of contact at each program for help in arranging the interviews with participants. The number of participants interviewed from each organization ranged from one participant at one program up to five at another. Participants received a $30 gift card for their participation. Among the 12 participants, two did not participate in financial capability services; the study team included them to learn why they did not engage with financial capability services. Because the E&T programs helped the team recruit the participants, it is possible that the participants recruited may have reported more

favorable views of the program than may be typical. The interviews took place between February 2023 and June 2023.

Employer interviews. The study team conducted phone interviews with 10 employers who offered financial capability services to staff with low incomes. The employers varied across geographies, industries, and organization size. The goal was to learn about financial capability services employers provided to their employees with low or moderate incomes. Topics covered in the interviews included details on the services the employers offered, the employers' motivation for offering them, the nature of any partnerships involved to provide these services, and the employers' perception of any successes or challenges experienced in offering these services.

The study team identified employers through a review of the expert consultation notes and the literature review conducted earlier in the project; consultation with OPRE, MEF Associates, and Urban Institute staff; outreach to partners and organizations that work with employers for their recommendations; and requests for additional recommendations from the employers interviewed. The study team applied three selection criteria to develop the sample: 1) employers needed to offer some type of financial capability services to their employees beyond 401k or other retirement benefits, 2) employers had at least some employees who earned low to moderate incomes, and 3) the employers represented a diverse sample of industries, geographical locations, and organization sizes. Not all employers invited chose to participate in the interviews; the study team identified 35 potential interviewees through this sample building process and conducted 10 interviews. As with other data collection efforts in this study, this approach to identifying employers to participate in the interviews means the sample is not representative of all employers offering financial capability services. The interviews took place between January 2023 and April 2023.

Administrator focus groups. With the administrator focus groups, the study team aimed to identify information on challenges with integrating E&T services with financial capability services and strategies to address those challenges, beyond what was learned from the semi-structured phone interviews and virtual site visits. The study team asked program administrators to discuss experiences with and elicit ideas from each other about how to confront challenges or build upon successes they had each experienced. The focus group facilitator raised questions about challenges, responses to them, and areas in which programs thought they were successfully integrating service types. The facilitator also allowed participants to guide the conversation, creating space for peer-to-peer learning by encouraging the administrators to ask each other questions and learn from one another.

The study team set a goal of conducting two focus groups with a total of 10 administrators between the two groups. The study team sent invitations to nearly all survey respondents. Eleven responded to the invitation and agreed to participate; ultimately, eight administrators took part in the discussion. The focus groups took place in April 2023 and May 2023.

Analysis. Analysis of the survey data consisted of producing basic descriptive statistics (e.g., frequencies, crosstabs). To analyze data from the interviews, the study team used a qualitative analysis software, Dedoose, to code transcripts from the interviews according to a set of codes developed to align with the study's research questions and with topics covered by interview protocols. The study team reviewed the data as organized according to these codes to identify common themes and trends.

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Glossary of terms

- **Access to credit**. Providing access to low-cost (usually small dollar) loans to those who may not qualify for traditional forms of credit.
- **Access to financial products**. Providing access to (usually low-cost) financial products, such as checking and savings accounts.
- **Access to public benefits**. Interventions that assist qualifying individuals (usually with low incomes) in getting public safety-net and social insurance benefits.
- **Asset-building programs**. Programs, such as Individual Development Accounts (IDAs), that support investments in assets, such as a home or small business.
- **Case management**. Identifying job seekers' skills, personal interests, and barriers to finding a job and using this information to develop individualized employment plans.
- **Credit-building programs**. Programs that help people with poor, thin, or no credit build credit by, for example, opening and remaining current on new lines of credit.
- **Credit counseling**. Multiple one-on-one sessions delivered by a credit counselor who covers topics on how to reduce debt or improve credit.
- **Employment counseling or coaching**. Meeting, typically one-on-one, with an employment specialist or counselor who helps assess needs and refers participants to available services.
- **Employment retention services**. Providing services, case management, coaching, or supports to help employed individuals maintain a job.
- **Financial access**. Access to financial products and resources that promote financial stability, such as low- or no-fee bank accounts.
- **Financial capability**. The capacity, based on knowledge, skills, and access, to manage financial resources effectively.
- **Financial coaching**. Multiple one-on-one sessions that focus on topics related to achieving the financial goals set by the participant.
- **Financial counseling**. Multiple one-on-one sessions to address specific financial issues the participant is facing; session goals are defined by the counselor.
- **Financial education**. Workshops, classes, or curricula covering specific topics, such as money management, how to reduce debt, or how to manage credit.
- **Financial knowledge**. Knowledge and understanding of financial concepts, such as compound interest.

- **Financial literacy**. The skills, knowledge, and tools that equip people to make individual financial decisions and actions, such as saving or borrowing, to attain their goals.
- **Financial situation**. The objective facts of a person's financial circumstances and economic context within which they live.
- **Financial well-being**. A state of being where a person can fully meet current and ongoing financial obligations, can feel secure in their financial future, and is able to make choices that allow for enjoyment of life.
- **Incentivized savings programs**. Programs that provide incentives or subsidies to promote and support saving, either for emergencies or longer-term goals.
- **Job development**. Working with employers to identify or create a specific opening for participants.
- **Job search assistance**. Providing guidance in identifying job openings, navigating the job market, or finding and selecting a job.
- **Occupational or sectoral training**. Training that is tied to a particular occupation.
- **Soft skills training**. Preparing job seekers for work, including training in soft skills such as punctuality, interacting with colleagues, and handling conflict.
- **Tax preparation services**. Services, such as Volunteer Income Tax Assistance (VITA) sites, that provide free or reduced-cost tax preparation services.
- **Work-based training**. Placing participants into paid or unpaid work experience (including subsidized jobs, apprenticeships, internships, etc.).