EXECUTIVE SUMMARY

Housing and Financial Capabilities: Integrating and Enhancing Services for Residents

Jess Dorrance, Mat Despard, Julia Barnard, Carly Hoffmann, Emily Goldstein, and Matthew Stern

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Many housing providers are expanding beyond their traditional roles in order to improve the financial stability of their residents. Aside from being simply managers of housing, some are integrating a range of additional services into their work. Existing research makes the case for integrating services into housing programs. Services include general case management, healthcare, daycare, educational opportunities, job training, and financial capability services. The goal of these efforts is to serve the multiple, and often complex, needs of residents and, over the last several decades, housing providers of all sizes, serving diverse populations, have continued to iterate, adapt, and experiment with this type of service integration.

This work is difficult, and the housing organizations that choose to take it on are committed and thoughtful. It is important to share successes and challenges but, too frequently, innovations are occurring with limited opportunities to fully measure outcomes and share the insights that can inform the financial capability field and enhance future program development.

The Center for Community Capital at the University of North Carolina at Chapel Hill (CCC) has worked with three housing providers to develop case studies that can elevate their insights. These partners, engaging in innovative efforts to integrate financial counseling and coaching services for their residents, include CHN Housing Partners (CHN) in Cleveland, Ohio; The Resurrection Project (TRP) in Chicago, Illinois; and a collaborative effort in New York City with the Department of Consumer Affairs Office of Financial Empowerment (OFE), the New York City Housing Authority (NYCHA), and Urban Upbound (UU).

Each of the three housing providers are at different phase of integrating services:

In Cleveland, CHN Housing Partners (formerly the Cleveland Housing Network) is continuing to grow and enhance their Family Success (FS) initiative which launched in 2013. The FS program provides financial counseling services to their Lease Purchase residents to prepare them for homeownership. Residents receive financial counseling every six months for up to five years prior to home purchase.

In New York City, OFE released a Request for Proposals in 2016 to fund a new financial coaching model for NYCHA communities that would be implemented by a collaborative group of partners including financial counseling providers, NYCHA Resident Associations, and local financial institutions. The goal of the financial coaching program was to pilot an innovative, community-based approach to increasing the economic stability of public housing residents that could inform financial empowerment policy.

In Chicago, The Resurrection Project is continuing to integrate services across their three pillar areas - Stewardship of Community Assets, Community Ownership, and Community Wealth Building. The community wealth pillar includes financial wellness services for residents and the broader community. Though TRP has offered financial wellness services for several years, they are re-evaluating how to more fully integrate these services across the organization and increase enrollment to truly meet client needs.

1 The Lease Purchase Program is CHN’s nationally recognized flagship program. It is a 15-year pathway to homeownership for low-income families.
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Each case study contributes new and important information to practitioners engaged in financial service integration. In the Cleveland case, the analysis focuses on outcomes, providing useful information about successes and challenges in moving clients towards goal achievement. In the New York City case, the available data focuses more on client goal-setting, behavior change, and nudges from coaches. This analysis provides useful information about how client commitments become concrete actions and the ways in which interactions with coaches can facilitate client success. Lastly, the Chicago case study illuminates an organization engaging in thoughtful reflection and provides helpful information about how financial services integration can be improved with a focus on communicating the value of financial coaching to residents and building trust among clients. After considering each case study in turn, this report identifies effective practices, locates shared challenges, and isolates key considerations for organizations seeking to engage in this work.

KEY CONSIDERATIONS

These case studies shine light on distinct program elements that pose challenges as organizations work to integrate financial capability into their housing programs. These include:

1. **Goal-Setting & Measurement**
   Service providers, enthusiastic about the opportunity to positively impact the financial lives of residents, sometimes set ambitious goals when designing their programs. Their hope is often to reach large numbers of residents quickly. However, it is important to consider longer time horizons related to program goals and to assume that each program will require significant start-up time, including extensive outreach and marketing campaigns to establish program legitimacy.

Similarly, in establishing outcome-related goals for residents, key indicators are often improvements...
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in credit scores, debt reduction, and savings accumulation—which all have long time horizons. While keeping long-term milestones as a focus, it is also necessary to track interim indicators of client progress alongside long-term goals. For example, it may be unrealistic to expect an increase in one’s credit score within months after only one or two coaching sessions. A risk of applying a “one size fits all” or an “all-or-nothing” approach to target outcomes may have the unintended consequence of setting some organizations up for perceived failure and may even diminish residents’ belief that they can take action to improve their financial well-being. On the other hand, tracking incremental progress can help organizations, coaches, and clients affirm forward progress.

Leaders in the field should also continue working towards a standard set of core indicators. These could include outcome-related indicators such as credit score changes, savings, debt reduction, and behavioral indicators such as commitments by clients, actions taken towards goals, and behavior changes. Efforts that are already in motion to standardize data will help the field locate particularly successful programs and strategies for improvement. Lastly, standard metrics will help organizations develop best practices around which financial wellness metrics to track, how to track them, and when.

Organizational Capacity
Organizational capacity is an important factor that impacts success in integrating financial capability services into housing programs. As more and different work is added, new capacity may be necessary. Success in this type of work often requires a different set of skills and capabilities, and key staff skill sets can determine whether an organization will be successful in reaching programmatic goals. Each organization needs to determine how these services will be provided, whether existing staff can provide these services, whether they need to build internal capacity, or whether they should contract or partner with another organization.

Consider the Intangibles
Each of the case studies highlights the importance of the more intangible, cultural considerations in financial services work. In many of the key informant interviews and focus groups, participants mentioned trust and relationship-building between residents and providers as key components that can make or break program goals. Practitioners should build on and improve strategies that consider trust-building and relationship-building as key elements of program design. These could include training and employing peer coaches as a way of building trust, improving recruitment and retention, and providing residents with people like themselves to learn from.

Additionally, it is important to celebrate small steps taken by clients to affirm their progress. A resident may, for example, have difficulty reach their goals due to financial hardship or other challenges. Residents’ low incomes—which may, in large part, be due to structural factors beyond their control (e.g., lack of living wage jobs, fixed and limited disability benefits)—can make certain financial goals very difficult to achieve. Celebrating smaller milestones along the way is important for two psychological reasons: first, so residents don’t feel shame or embarrassment for not achieving goals due to economic factors beyond their control and, second, to incrementally build a sense of mastery and the sense that one can effect change in their life.

Ongoing Learning & Sharing with the Field
Service integration is not for the faint of heart. It requires time, energy, and resources, along with a desire and ability to serve the varied needs of residents. It is important to share experiences, insights, successes, and challenges to inform other practitioners and the broader financial capability field. Additionally, the partners featured in this report have acknowledged the importance of learning from program participants about their financial capability needs, what is working for residents, and what other services would be useful in moving households to greater financial stability. This approach not only creates greater efficiencies by better matching services with needs, but it also creates an important opportunity for residents’ voices to directly inform service delivery.

As housing providers continue to expand their services, there is much to gain from sharing insights and establishing best practice models that can be adapted for providers across the country.
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TAKEAWAYS FOR PRACTITIONERS

Working with motivated project partners at separate phases of integration provides a useful vantage point for assessing lessons that may be most relevant at particular points in time. The table below offers key takeaways for other practitioners by phase of integration.

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<tr>
<th>Phase One: Assessing Fit and Feasibility</th>
<th>Phase Two: Program Design, Implementation, &amp; Engagement</th>
<th>Phase Three: Ongoing Program Enhancement</th>
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<td>&gt; <strong>Consider the impact</strong> across all levels of the organization; communicate the value of the program and how it fits with the organization mission to facilitate buy-in from staff and leadership.</td>
<td>&gt; In addition to time for program design and launch, <strong>adequate time should be allotted</strong> for ramping up the project, including time to establish legitimacy and create a structured referral mechanism to boost enrollment.</td>
<td>&gt; <strong>Create ongoing opportunities to learn from residents</strong> about their experiences and use the information to inform enrollment and engagement efforts as well as program adjustments and expansions.</td>
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<td>&gt; <strong>Weigh the trade-offs</strong> between providing services directly or partnering with an outside collaborator. Additionally, consider any new resources or training that may be needed for either option.</td>
<td>&gt; <strong>Consider initiating a small-scale pilot</strong> to test a proof of concept. This can allow flexibility for experimentation and iteration in outreach, design, service delivery, and data collection prior to investing significant resources. It may also be useful to incorporate input from residents in the pilot phase to ensure that services meet clients’ stated needs.</td>
<td>&gt; <strong>Consider how, if, and when to use incentives</strong>. The structure and types of incentives, including employing some residents as peer coaches, can provide rewards for participants and encourage ongoing program engagement.</td>
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<td>&gt; <strong>Consider data metrics</strong> – what to measure and how to measure it – as well as how data collection fits with current data systems or if new processes are needed.</td>
<td>&gt; <strong>Set realistic program goals and expectations</strong> related to participant outcomes. Similarly, consider immediate and medium-term outcome measures that demonstrate progress towards longer-term goals.</td>
<td>&gt; <strong>Consider sharing your insights</strong> with others. Differences in goals, data sources, and target populations make sharing across sites challenging. Standardizing certain outcome measures across organizations, while maintaining flexibility, could help build upon challenges and successes.</td>
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