



# Financial Well-Being Institute

by SunTrust Foundation and United Way

July 2015

## About this Study & Our Work



United Way Worldwide and SunTrust Foundation have joined forces to create the Financial Well-Being Institute—an organization committed to improving Financial Well-Being through collaborative development and/or distribution of Best-in-Class tools, research, and resources that drive behavior change which positively impacts the lives of people and communities around the world. As a part of this initiative, the Financial Well-Being Institute commissioned a study to understand how to help people with difficult financial decisions in the moment.

(continued on page 3)

# People Need Just-in-Time Financial Counseling, Not Just Proactive Financial Education

## A Real-Life Example

Brandon faced a difficult situation. His mother died unexpectedly when he was 18. She left no will and no real assets. She had no written plan for his younger sister. He felt a need to move quickly to get guardianship of his little sister before the state took her to foster care. He needed sound advice of what to do and how to accomplish it. He was not interested in courses or articles about probate, parenting, the costs of raising a child, or budgeting. He needed a list of actions to take and numbers to call in order to secure guardianship—he needed the right information, in the right amount, delivered just in time. Then, afterward, he could address the other aspects of the responsibility he was about to assume.

Brandon's story is indicative of real life. People face unexpected events that they need to address. Urgency builds and that sets an expectation of the kind of help they need. The level of urgency they feel also seems to impact the level of tolerance they will have for how much detail on the topic they need in that situation. Drowning people in too much financial education when their sense of urgency is high will only exacerbate the situation. As a source of financial information and counseling, by understanding what Just-in-Time

content delivery means to people in these situations, you can extend your reach to help more individuals and families.

Practitioners want to help people like Brandon—through their difficult, urgent situations. We hope this paper helps you understand:

- What people are trying to accomplish when they have a high sense of urgency about a financial decision
- What kind of information they need, based on their sense of urgency



- How to instill hope through written materials, and

### About this Study & Our Work (continued)

#### What we wanted to answer:

- What does the moment of influence look like?
- What kind of information helps?
- How can practitioners help in the moment?

We leveraged models and advancements from the education industry to influence our work.

#### This study consisted of:

- Four two-hour focus groups in Nashville, TN made up of 18 individuals with household incomes less than 80% of the local median income and varying levels of education
- Study participation by individuals from the following partner organizations: **ClearPoint**

- Subject Matter Expertise provided by:  
**Laura Scherler**, Director of Income Capacity Building, United Way Worldwide  
**Inger Giuffrida**, Financial Educator & Asset Building Consultant  
**Jeff VanDeVelde**, Senior Vice President of Customer Experience & Loyalty, SunTrust Bank  
**Chris Geganto**, Director of Purpose Activation and Experience Design, SunTrust Bank  
**Cynthia Brame, PhD**, Center for Teaching, Vanderbilt University  
**John Lynch, PhD**, Center for Research on Consumer Financial Decision Making, University of Colorado, Boulder  
**Richard Netemeyer, PhD**, Professor of Commerce, University of Virginia  
**Elizabeth Douglas**, President and COO, wikiHow

- How to deliver Just-in-Time content in digestible formats for the sense of urgency they are feeling.

### People Don't Remember

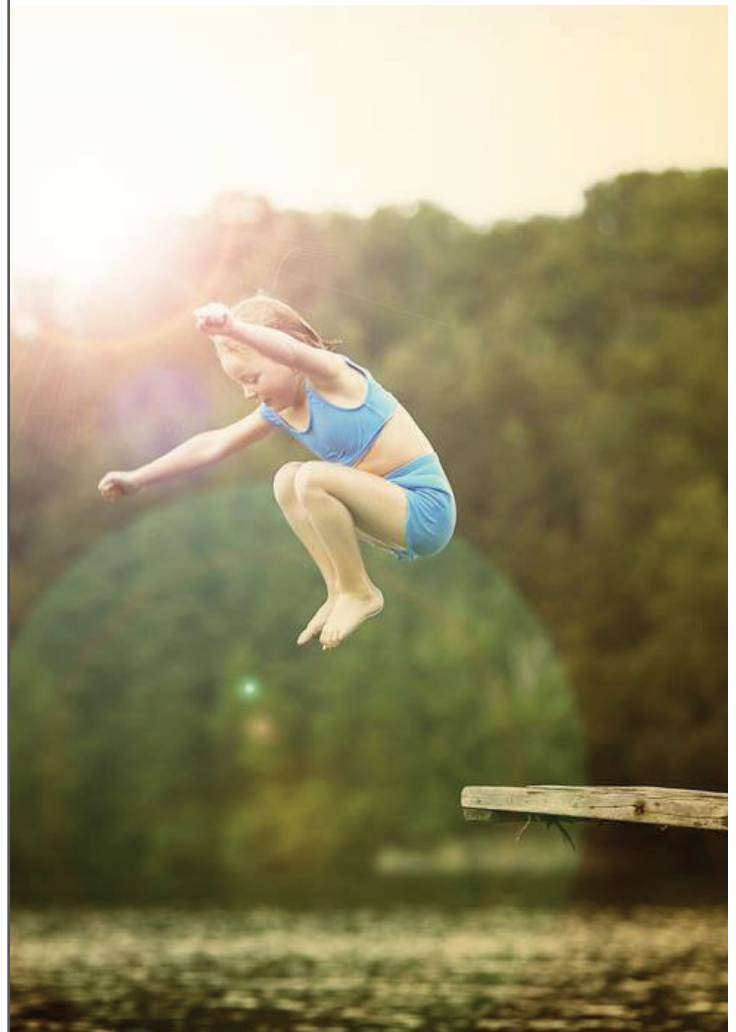
Financial education courses have their place—especially in building a solid foundation for financial well-being. However, studies show a decaying effect occurs in the students of financial education courses after as little as a year—which means they may not recall how to handle certain decisions at the moment they arise.<sup>1</sup> Why this decaying effect? It's the use-it-or-lose-it principle. Many students of financial literacy courses don't use enough of what was taught during the course. The material may not have been relevant to their situations, so they can't apply it, at least at the time of learning. If they can't apply it, they won't retain it. It's the same for all adult learners.

In their paper titled, “Financial Literacy, Financial Education and Downstream Financial Behaviors,”

#### Footnotes

1 “Financial Literacy, Financial Education and Downstream Financial Behaviors,” by Fernandes, Lynch and Netemeyer, 27 September 2013

2 Ibid.



Fernandes, Lynch and Netemeyer argue for appropriate content for the situation, when people's needs vary due to their circumstances. They say, “Here, ‘just-in-time’ financial education may have promise, alone and embedded in decision support systems that help identify a tailored consideration set of safe options.”<sup>2</sup>

The key to helping people is to provide relevant, consumable financial education at the moment a learner faces a key decision. They need Just-in-

Time financial information or counseling.

## A Sense of Urgency Can Drive People to Seek Help

Everything hinges on the sense of urgency individuals feel about the financial decisions they are facing. High urgency can also punctuate their feelings of hopelessness and shame. Sometimes a sense of urgency drives them to seek solutions and take action. Sometimes it causes them to shut down until something triggers them to take action. No matter how they pursue finding information or learning their options, our research shows their sense of urgency determines their tolerance for how much content they are willing to consume and the way it's presented—just as it did in Brandon's guardianship situation. Lengthy courses, videos and articles would not work. He needed phone numbers and checklists so that he could correctly and quickly accomplish the necessary steps.

By understanding that a sense of urgency drives their decision-making behavior, we better understand how to design and deliver content to help them understand their choices, make sound decisions, take action, restore hope, and over time, improve their financial well-being.

## Which Education Styles are Most Effective?

In our quest to help the Brandons of our communities make more informed decisions, we

can leverage advancements taking place in the education field. Educators are paying attention to not only learning styles, but also to delivery styles. The continuum below shows the different styles of educating:



### Just-in-Case Education

Just-in-Case education is often curriculum-based and designed to build learner knowledge, skills, and competencies—the course is planned by a financial educator and may include participatory, peer-based learning opportunities. Examples include traditional formal education or coursework, online courses, or webinars. A variety of topics are covered in case the student will need them. (Many financial literacy courses offered today fall into this category.)

### Just-in-Time Education

Just-in-Time education, which is relatively new in the field of education, places the needed information in the decision flow—at the point it will be needed to help the user make an informed decision. Just-in-Time education can be delivered online or in person. Examples include brief video explanations, pop-up tips, or definitions of complicated terms. The student learns about the



available options, makes a decision, and then moves forward.

### Just-for-Me Education

Just-for-Me education is self-directed, personalized learning. It includes tools so users can apply the learning to their data—when they need to make a decision and they need to understand how different scenarios may impact them. It can be very successfully delivered online, in an app or via other tools provided. Counselor hotlines are another effective form of Just-for-Me education.



### Just Enough

Just Enough is an overlay or guiding principle applied to Just-in-Time or Just-for-Me education. It's about giving enough of the right information to take action.

Educators realize that one form of education delivery is not necessarily better than another.

They are actually complementary. Success is dependent on the learner's situation. In order

to best help the people you serve, make it a goal to learn how to deliver on each of the education styles. When it's not feasible that you can deliver on every education style, partnerships with or referrals to other organizations can fill the gap.

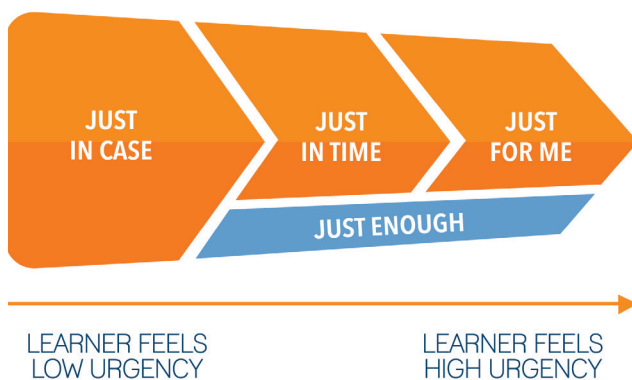
### How Do I Know Which Education Style to Deliver at the Right Time?

The answer actually lies in the learner's sense of urgency. When speaking with an individual, pay attention to the sense of urgency they feel as manifested in their questions and their situations. Sometimes the actual urgency of the situation may not match their perceived urgency—the situation may be more dire than they realize, or less dire—but perceived urgency seems to drive the type of information they are looking for. Through our work, we observed a direct correlation between perceived urgency and the education continuum.

For example, one of our participants, Hal, was in the hole every month after paying major bills and his student loan payment. Borrowing money from his parents became a monthly routine. His situation grew more and more urgent. He did not want general information—he wanted viable options that would specifically work for his numbers. He searched for Just-for-Me help. Like most people in Hal's situation, he sifted through many websites that offered inadequate or inaccurate information until he was able to locate a source that could help him evaluate the options available to him. How did things turn

out? He was able to consolidate his student loan debt into a single payment. When discussing how he feels now about the results, he says, “My bills and regular spending no longer exceed my bank account. I save a decent amount monthly. I keep an eye on my spending.”


The more urgent the situation, the more people like Hal tend to search for specific Just-for-Me or Just-in-Time education. They usually understand that they will need to share more personal information about the situation in order to get actionable help—though sometimes a skilled counselor will need to draw the relevant pieces of information out of them. The less urgent the situation, the less inclined they are to share personal information. Thus, the more interested in broader, deeper Just-in-Case information they are.




When urgency feels high to them and they are searching for answers, they are often in the mode to take action. They tend to be most tolerant of Just-in-Time or Just-for-Me content. When urgency feels low to them and they are searching

for answers, they may take action if the ideas are compelling enough. They tend to be more tolerant of Just-in-Case content.

When delivering content, you can help people identify their level of urgency by grouping the content. For example, if the user has questions about wage garnishment, you could use the following groupings for your content, placing the more urgent grouping at the top:

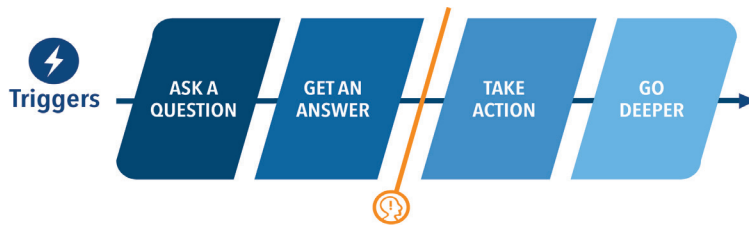
 [I have been notified that my wages will be garnished. What can I do?](#) – A link with this heading would provide specific, action-oriented Just-in-Time or Just-for-Me content—calculators, call lines, checklists, how to steps, etc.

 [I'm interested in learning more about wage garnishment.](#) – A link with this heading would provide broader Just-in-Case content—articles, glossaries, case studies, video explanations, etc.

## How Do I Deliver Just-in-Time or Just-for-Me Education?

Understanding how to deliver Just-in-Time or Just-for-Me education—whether in person or online—requires understanding human behavior and expectations in these situations. We hypothesized that people would want to be able to ask a question, get an answer and then take action. Our work on this project also revealed that, at minimum, people

want to be able to do these steps when triggered by some change:



Another key learning from our work was that conversion from Get an Answer to Take Action is dependent on three things: 1) Feeling hopeful about the situation; 2) Understanding the content; and 3) Personalizing the content. If the reader does not understand or cannot apply the information to their situation or feels hopeless, they may fail to take action. Thus, your Just-in-Time and Just-for-Me content needs to facilitate building hope, understanding and personalization—in the language, tone, format, and tools provided.

What does “Take Action” mean? For most of our participants, taking action seemed to mean putting out a fire or resolving a problem. For some, it meant changing an undesirable behavior or adopting a positive behavior. Most were interested in achieving some small win toward improving their situation.

Our work also revealed an extra step: Go Deeper, when interested. Some individuals want to learn more. We call this going deeper. Our research showed wanting to understand their situation better or to learn more drove this.





## Building Hope

When people reach the point of seeking help, you know from experience that you have to move them past feelings of shame or embarrassment before they can take action. Frequently, this is manifested in their asking whether theirs is the worst case you have ever seen. An effective counselor can quickly mitigate an individual's feelings of shame with the right show of empathy, delivered at the right time, in the right manner. It's about reading people, giving hope and motivating them. But could you write the same words a counselor might say in this situation and have the same effect? Our study revealed that the written form of these same words could actually be viewed as condescending—creating more barriers than they were intended to break down.

### Introducing “Introductory Statements”

We tested what we called “Introductory Statements”—language that could be used after a learner researched a question online. The introductory statements tested extremely well. Because the statements included a statistic relevant to the search question, they provided “social proof” that kept adult learners motivated to learn and take action and reduced the shame of the situation. When used in conjunction with the Just-in-Time or Just-for-Me financial content, they also proved successful at giving hope. Our “Introductory

Statements” revealed a Hope Formula for dealing with shame.

### Some Introductory Statement Examples:



**Question:**  
How do I find money to save?

60% of Americans can't cover unexpected expenses, but here are simple steps you can take to create a rainy day fund: ...



**Question:**  
How do I get out of debt?

One in four Americans struggles to make their debt payments every month. Some strategies for reducing your debt include: ...

### Hope Formula for Dealing With Shame:

A STATISTIC  
RELEVANT TO THE  
SEARCH QUESTION



A SOFT CALL TO ACTION  
TO READ AND USE THE  
OFFERED INFORMATION



POSITIONED DIRECTLY  
BELOW THEIR QUESTION

---

INCREASED HOPE  
& MOTIVATION

## So Which Format Do I Use?

Formatting content depends on the problem to be solved. Different formats lend themselves to the different education styles: Just-in-Case, Just-in-Time, and Just-for-Me.

### Rule of Thumb:



**Just-in-Case information** = longer format



**Just-in-Time information** = shorter, chunked format



**Just-for-Me information** = interactive or personalized format

Below is a chart detailing the formats we tested. This is not a comprehensive list, and by no means is a format ruled out from being able to convey Just-in-Case, Just-in-Time or Just-for-Me information. These are just guidelines to follow when creating content.

## How Do I Apply this Information to My Work?

In our experience, most practitioners focus their efforts on providing live Just-in-Case financial education through the courses they deliver and live Just-for-Me financial counseling through

	JUST IN CASE Broader, deeper coverage of related topics	JUST IN TIME Addresses the specific question/solution	JUST FOR ME Allows the user to apply personal data/situation
Articles	<b>X</b>		
Courses	<b>X</b>		
Rules of Thumb	<b>X</b>		
Calculators & Worksheets	<b>X</b>	<b>X</b>	<b>X</b>
Videos (instructional or personal experience)	<b>X</b>	<b>X</b>	
Advisor Phone Calls		<b>X</b>	<b>X</b>
Checklists	<b>X</b>	<b>X</b>	<b>X</b>
Visuals/Infographics	<b>X</b>		
Tips	<b>X</b>	<b>X</b>	
Step by Step (with or without images)	<b>X</b>	<b>X</b>	
Related Questions	<b>X</b>		
Games	<b>X</b>		

their case managers. But too many people are missing the help that these capable practitioners can provide, because they turn to the Internet instead of to qualified agencies. Consequently, the missed opportunity is in the online or live delivery of Just-in-Time financial help when individuals are faced with a financial decision—helping the Brandons or Hals of the world who rely on Google to find answers.

The first step is understanding which content



**“The missed opportunity is in the online or live delivery of Just-in-Time financial help when individuals are faced with a financial decision ...”**

formats lend themselves to the different education styles—Just-in-Time content, Just-in-Case content, or Just-for-Me content. The next step is designing the content in such a way as to support those education styles.

Brandon found the help he needed, but it wasn't easy. After many missteps and dead ends, he eventually located an agency that could appropriately advise him. He was able to secure guardianship of his little sister and protect what was left of his family. Only at that time was he ready to learn how to be a parent so he could properly raise his sister.

With this paper and the following reference material, you will understand how to:

- Help people when they have a high sense of urgency about a financial decision
- Gauge the level of detail they need, based on their sense of urgency, and
- Instill hope through your written materials.

We ultimately hope this paper helps you reach more individuals and families to improve their financial well-being. ■

# Design Requirements

**JUST-IN-TIME  
CONTENT DELIVERY**

**FINANCIAL WELL-BEING  
INSTITUTE**

## ARTICLES

Articles can give in-depth information. They can be used to provide background information or explain what might occur during a crisis.



### AN ARTICLE SHOULD

- Provide information in an easily digestible format, sections and wording, so readers can easily scan articles.

### FORMULA FOR ARTICLES

- Provide a clear title that explains the content.
- Break into sections with headlines and subheads.
- If using an online format, link to more content or tools when referencing them in the article or side bars.
- Document the source and credentials

### AVOID

- Avoid academic styles of writing or presenting information.
- Stay away from long paragraphs. Tip: Keep each paragraph under eight sentences.

### IDEAS

- Articles can be a great support to recommended action items, tips, or checklists.
- When teaching Just-in-Case content, provide an assessment afterwards to gauge whether they understand material.



FEDERAL TRADE COMMISSION

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CONSUMER INFORMATION

Search

MONEY & CREDIT

HOMES & MORTGAGES

Home Loans

Home Improvement

Saving Energy at Home

Renting & Timeshares

HEALTH & FITNESS

JOB & MAKING MONEY

PRIVACY & IDENTITY

BLOG

VIDEO & MEDIA

SCAM ALERTS

When Paying the Mortgage is a Struggle

The possibility of losing your home because you can't make the mortgage payments can be terrifying. Perhaps you're having trouble making ends meet because you or a family member lost a job, or you're having other financial problems. Or maybe you're one of the many consumers who took out a mortgage that had a fixed rate for the first two or three years and then had an adjustable rate – and you want to know what your payments will be and whether you'll be able to make them.

Regardless of the reason for your mortgage anxiety, the Federal Trade Commission (FTC), the nation's consumer protection agency, wants you to know how to help save your home, and how to recognize and avoid foreclosure scams.

Know Your Mortgage

Do you know what kind of mortgage you have? Do you know whether your payments are going to increase? If you can't tell by reading the mortgage documents you received at settlement, contact your loan servicer and ask. A loan servicer is responsible for collecting your monthly loan payments and crediting your account.

Here are some examples of types of mortgages:

- Hybrid Adjustable Rate Mortgages (ARMs): Mortgages that have fixed payments for a few years, and then turn into adjustable loans. Some are called 2/28 or 3/27 hybrid ARMs: the first number refers to the years the loan has a fixed rate and the second number refers to the years the loan has an adjustable rate. Others are 5/1 or 3/1 hybrid ARMs: the first number refers to the years the loan has a fixed rate, and the second number refers to how often the rate changes. In a 3/1 hybrid ARM, for example, the interest rate is fixed for three years, then adjusts every year thereafter.
- ARMs: Mortgages that have adjustable rates from the start, which means your payments change over time.
- Fixed Rate Mortgages: Mortgages where the rate is fixed for the life of the loan; the only change in your payment would result from changes in your taxes and insurance if you have an escrow account with your loan servicer.

If you have a hybrid ARM or an ARM and the payments will increase – and you have trouble making the increased payments – find out if you can refinance to a fixed-rate loan. Review your contract first, checking for prepayment penalties. Many ARMs carry prepayment penalties that force borrowers to come up with thousands of dollars if they decide to refinance within the first few years of the loan. If you're planning to sell soon after your adjustment, refinancing may not be worth the cost. But if you're planning to stay in your home for a while, a fixed-rate mortgage might be the way to go. Online calculators can help you determine your costs and payments.

Vea esta página en español

Related Items



Avoid Foreclosure Rescue Scams

- Coping with Debt
- Choosing a Credit Counselor
- Filing for Bankruptcy: What to Know

<http://www.consumer.ftc.gov/articles/0187-when-paying-mortgage-struggle>

Source: Federal Trade Commission, Consumer Information

14

## COURSES

Courses are often used for Just-in-Case education. They are used to prevent a problem from happening (or happening again) by teaching principles for better money practices. Courses can be in-person or online.



Be aware that the information a person learns in courses may have a decaying effect over time—in as little as a few months, depending on the length of the course, according to the Hernandez, Lynch and Netemeyer’s 2013 study, “Financial Literacy, Financial Education and Downstream Financial Behaviors.” Design courses to become habits, so the information sticks.

### A COURSE SHOULD

- Provide new knowledge.
- Include checkpoints to ensure they comprehend the material.
- Teach new habits to carry with them beyond the classroom.

### FORMULA FOR COURSES

- Have them track current habits and dissect what isn’t going well. This will help you meet them where they are.
- Teach habits for success and why they will provide financial well-being. Center the information on something they want to know.
- Structure delivery of new information such that they have time to connect the pieces.
- Provide tools to carry those habits into the future, such as rules of thumb.

### AVOID

- Avoid giving people too much information at once without periodically ensuring participants understand the material.

### IDEAS

- Keep in mind the decaying effect of Just-in-Case information. Consider ways to check up on course participants to keep information fresh in their minds.

## Financial Education That Makes A Difference

**With No Hidden Agendas**

Let FinancialKnowledge Revolutionize  
the way you Think, Learn & Live!

[Learn More >](#)



Source: FinancialKnowledge

## RULES OF THUMB

Rules of Thumb can be a “small win” to help consumers gain momentum. They are short, one-sentence, memorable tips. They should be easy to understand and easy to implement.



### A RULE OF THUMB SHOULD

- Be easy to remember so people can recall them when the appropriate situation arises.
- Be concise and easy to implement or quick to take action on.

### FORMULA FOR RULES OF THUMB

- Make it only a sentence or two long.
- Attach a link for people to learn more.

### AVOID

- Never make rules of thumb complicated or suggest a task that is hard to start.

### IDEAS

- Rules of thumb should give people momentum to make one small change so they have energy to make another.
- Let people scroll through multiple rules or give them a rule a day. If they opt in for these notifications, it can be a good entry point when a rule resonates with their situation.





## CALCULATORS AND WORKSHEETS



Worksheets help personalize advice to specific situations. They are great tools to provide after giving context to what a person in crisis needs to do. Worksheets provide a structure for how to think about a topic, such as budgeting. They should be thorough but simple to use in order to be helpful.

Calculators also allow people to input personal data and help them compare various scenarios.

Both tools can be used to assess a current situation, or project the effects down the road of decisions made in the present.

### CALCULATORS AND WORKSHEETS SHOULD

- Allow people to plot different scenarios—worst-case and best-case.
- Give people a realistic picture of what is happening both currently and in the future.
- Quantify the benefit of moving forward.

### FORMULA FOR CALCULATORS AND WORKSHEETS

- Make it clear what information is needed. Avoid any financial jargon or technical terms. If you must use them, define those words.
- Allow people to enter estimates if they don't know the exact number.

### AVOID

- Don't make these tools so complicated that people won't bother to start.
- Requiring account creation or logins tends to be a disincentive, when the tools are online.

### IDEAS

- Worksheets are useful because people can personalize the help to their specific situation without having to tell anyone about it.
- If using an online system with tracking capabilities, you may want to monitor what individuals are entering into worksheets to know if they are in a dire situation, then serve up relevant help.
- Allow people to download the tools in online situations.

Worksheet 3: How much house can you afford? Monthly housing expenses method		
	EXAMPLE	YOUR BUDGET
1. Housing expenses (Use rent)	\$550	
2. Required savings for home repairs	\$25	
3. Money available for house payment (Amount on line 1 less the amount on line 2)	\$525	
4. Estimates for monthly house taxes and insurance (Multiply the amount on line 3 by 0.20)	\$105	
5. Total monthly estimates for taxes, insurance, and repairs (Add the amounts on line 2 and line 4)	\$130	
6. Affordable monthly principal and interest payment (Amount on line 3 less the amount on line 5)	\$395	
7. Loan amount (Use a 8.0% interest rate) (In the Fannie Mae table below, find the amount in the table closest to the amount on line 6)	\$53,830	
8. How much does your lender require for a down payment? (If 3%, use 0.97; if 5%, use 0.95; if 10%, use 0.90)	0.95	
9. Affordable house price (Divide the amount on line 7 by the percentage on line 8)	\$51,139	

This chart has been adapted from a worksheet developed by Sharon Laux, University Outreach and Extension regional housing specialist.

Source: University of Missouri, Homebuyer's Resource Guide

## How much will my mortgage payments be?

Your total payment will be  
**\$812**



■ Principal & Interest  
■ Taxes & Insurance PMI

● Breakdown    ● Over time    ● Amortization

**BASIC**
**ADVANCED**

Purchase price i  
 \$ 100,000

Down payment (\$4K) i  
 4 %

Term (years) i  
 30

Interest rate i  
 5.000 %

Source: SunTrust Bank

## VIDEOS

Videos are effective when the situation requires an overview of the topic or an explanation of a somewhat complicated suggestion, tip or idea. Videos can use visuals coupled with explanations to add clarity to financial information.



### A VIDEO SHOULD

- Grab and keep attention.
- Be informative, concise and easy to understand.
- Provide graphic snapshots of actionable information.
- Give detailed direction on where to go and what to do next.

### FORMULA FOR VIDEOS

- Increase trust by using a likable expert.
- Give a fresh, clear overview with enough use cases to appeal to most people.
- Provide the mechanics of the situation.
- Show what's next and how to proceed.
- In our research, live action videos and animation videos both tested well—unless either was presented in a hokey or light-hearted fashion. Participants wanted a credible source.

### AVOID

- Don't rely on video to serve high-urgency, high-crisis situations.
- Education experts recommend not exceeding six minutes in length.

### IDEAS

- People are more tolerant of and interested in video content that follows a familiar and predictable pattern across a series of videos.
- Establish a video format and style and stick with it—apply it across topics.

## Building credit and keeping yours healthy

Building good credit takes work, but it can be done. Find out the five things you can do to build a healthy credit score, as well as how to avoid some pitfalls.



[Having trouble? Try the basic player.](#) | [Transcript](#) | [Disclaimer](#)

Source: Bank of America, Better Money Habits

## ADVISOR PHONE CALLS

A phone call is for crises and situations when the individual feels the need to converse about the issue. Keep in mind that many people think their situation is urgent and immediate, so they may want to call an advisor often.



### AN ADVISOR PHONE CALL SHOULD

- Personalize advice to the individual's situation.
- Listen to their situation and show empathy.
- Assure them that you know how to deal with it or where to find help.
- Use a database to give call center representatives all the information needed so the client doesn't have to repeat himself. Repeating the story builds frustration. Give detailed direction on where to go and what to do next.

### FORMULA FOR ADVISOR PHONE CALLS

- First, listen to the caller. Show that you understand their specific situation.
- Use skill to address their feelings of shame or embarrassment and build hope.
- Personalize the advice to their situation and provide actionable ideas.
- Provide credentials for each advisor.

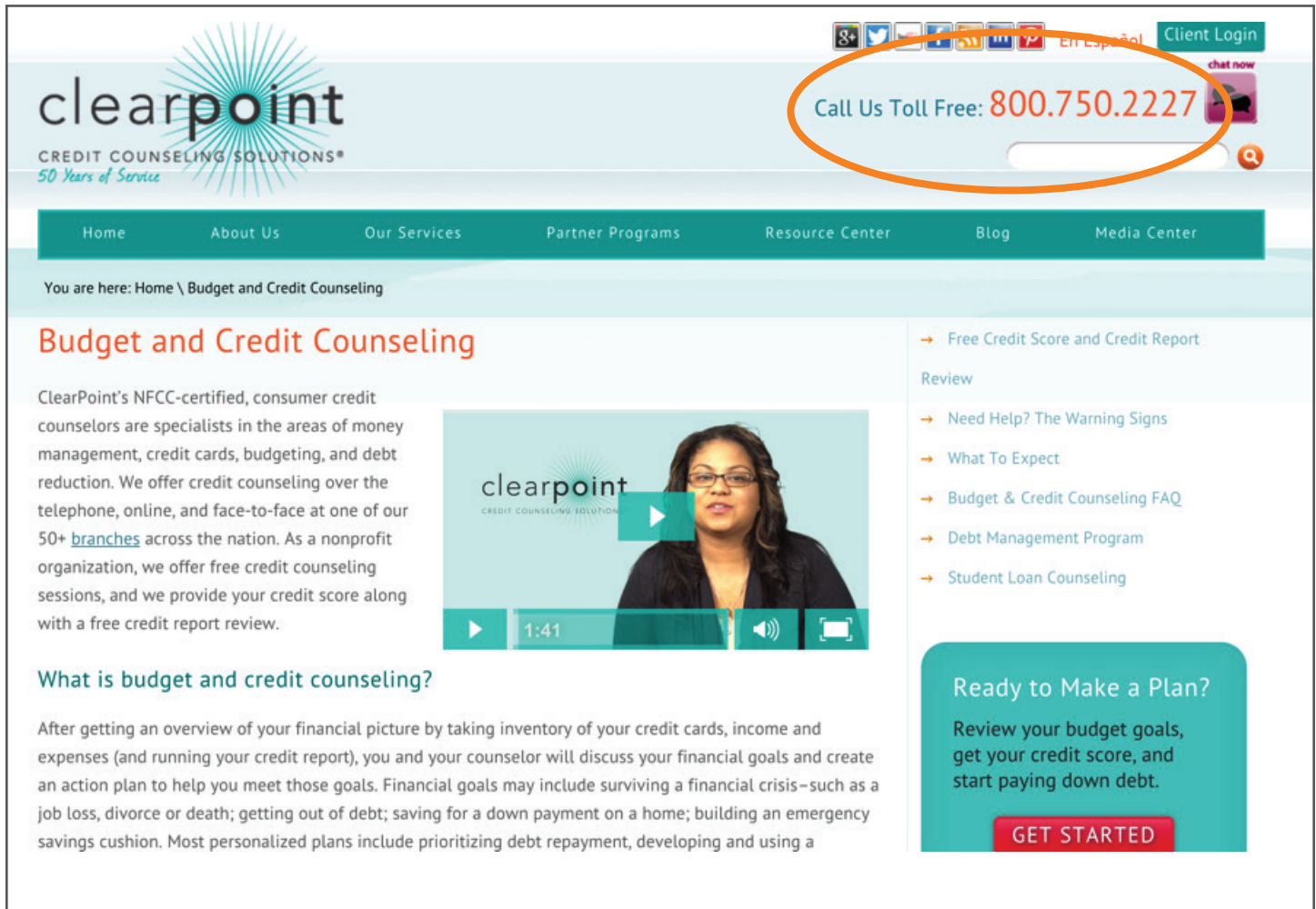
### AVOID

- When people call in, generic information or directing them to a website for more information creates frustration.

### IDEAS

- Frequently, people will conduct some form of research before calling an advisor, usually relying on family, friends or Internet sources. They may rely on faulty information. Use credentials to build credibility.
- Partner with other organizations that specialize in different solutions that vary per crisis. Use this call to set them up.





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You are here: Home \ Budget and Credit Counseling

## Budget and Credit Counseling

ClearPoint's NFCC-certified, consumer credit counselors are specialists in the areas of money management, credit cards, budgeting, and debt reduction. We offer credit counseling over the telephone, online, and face-to-face at one of our 50+ [branches](#) across the nation. As a nonprofit organization, we offer free credit counseling sessions, and we provide your credit score along with a free credit report review.

**What is budget and credit counseling?**

After getting an overview of your financial picture by taking inventory of your credit cards, income and expenses (and running your credit report), you and your counselor will discuss your financial goals and create an action plan to help you meet those goals. Financial goals may include surviving a financial crisis—such as a job loss, divorce or death; getting out of debt; saving for a down payment on a home; building an emergency savings cushion. Most personalized plans include prioritizing debt repayment, developing and using a

- Free Credit Score and Credit Report Review
- Need Help? The Warning Signs
- What To Expect
- Budget & Credit Counseling FAQ
- Debt Management Program
- Student Loan Counseling

**Ready to Make a Plan?**

Review your budget goals, get your credit score, and start paying down debt.

**GET STARTED**

Source: Clearpoint Credit Counseling Solutions

## CHECKLISTS

Checklists break down actions to a manageable list of to-do items—some of which may be related, some of which may be mutually exclusive. Checklists can be used to gain momentum. If it's easy to complete one action, they'll feel like they can complete another.



### A CHECKLIST SHOULD

- Provide actionable, useful items.
- If online, provide links where applicable—to forms, worksheets, calculators, definitions, phone numbers, information, etc.
- Make checklists downloadable and easily printable. Use a database to give call center representatives all the information needed so the client doesn't have to repeat himself. Repeating the story builds frustration. Give detailed direction on where to go and what to do next.

### FORMULA FOR CHECKLISTS

- Use a specific title for the checklist. Quantifiable titles are appealing, e.g. "15 Ways to Save Money."
- Deliver the checklist items as small, single actions.
- Provide tasks in hierarchical order, if applicable, and explain.
- Give links to dig deeper into some of the tasks when relevant. More information could help an individual complete the task more effectively or efficiently.

### AVOID

- Don't provide heavy, dense content. But don't provide insignificant content either.

### IDEAS

- At the bottom of your checklists, refer or link to other checklists you provide that can also help people.



## Your Mortgage Process Checklist

### You will need:

- ☐ YOUR SOCIAL SECURITY NUMBER.
- ☐ A CURRENT PAY STUB OR, IF SELF EMPLOYED, YOUR TAX RETURNS FOR THE PAST TWO YEARS.
- ☐ YOUR BANK STATEMENTS FOR THE PAST TWO MONTHS.
- ☐ YOUR INVESTMENT ACCOUNT STATEMENTS FOR THE PAST TWO MONTHS.
- ☐ YOUR LIFE INSURANCE POLICY.
- ☐ YOUR RETIREMENT ACCOUNT STATEMENTS FOR THE PAST TWO MONTHS.
- ☐ THE MAKE AND MODEL OF ANY VEHICLES YOU OWN AND THEIR RESALE VALUE.
- ☐ YOUR CREDIT CARD, AUTO LOAN, AND PERSONAL LOAN ACCOUNT INFORMATION

### If you currently own real estate:

- ☐ YOUR MORTGAGE ACCOUNT INFORMATION.
- ☐ YOUR HOME INSURANCE POLICY INFORMATION.
- ☐ YOUR HOME EQUITY ACCOUNT INFORMATION.

PRIORITY MORTGAGE

## VISUALS & INFOGRAPHICS

Visuals and infographics should be used to make sense of a complicated concept or process.



### VISUALS & INFOGRAPHICS SHOULD

- For process-oriented visuals, lay things out clearly and concisely, showing exactly how different components relate to each other.
- Visuals should convey a clear story, explanation or action that people can take.

### FORMULA FOR VISUALS & INFOGRAPHICS

- Accompany visuals with explanatory text.

### AVOID

- Avoid useless information. Visuals and infographics need to convey solid, helpful information in a digestible manner.

### IDEAS

- Use visuals to support articles, checklists or other dense text.
- Visuals are effective to explain what to do or what to expect in certain situations. In our research, they were effective in helping to alleviate stress when facing complex processes, such as foreclosure.
- Give appropriate respect to the topic depicted in the visuals or infographics. Design them carefully to assure the intended audience you understand the weight of the issue.







## TIPS

Tips are lists of independent ideas that may or may not be related to each other.



### TIPS SHOULD

- Provide multiple ways to go about improving a situation.
- List mutually exclusive ideas from which individuals can pick and choose. Give detailed direction on where to go and what to do next.

### FORMULA FOR TIPS

- When there are more than 20 tips, try to group them to be easy to scan.
- Where appropriate, include the benefits of using the tips.
- Link to examples of success stories from people implementing these tips.

### AVOID

- Avoid giving complicated processes under the heading of “Tips.” Instead use checklists for processes that need to be broken into manageable tasks.

### IDEAS

- Whether someone uses an exact tip or not, they are often a springboard for motivation to make at least one change.
- Provide a range of ease of implementation. Some should be easy to immediately complete, and some could require more effort but have more impact.



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## 54 Ways to Save Money

### SAVINGS TIPS

General

Food

Prescription & over-the-counter Drugs

Banking

Insurance

Transportation

Housing

Home Heating & Cooling

Clothing

Communications

Entertainment

Family and Friends



### General

- Save your loose change. Putting aside fifty cents a day over the course of a year will allow you to save nearly 40% of a \$500 emergency fund.
- Keep track of your spending. At least once a month, use credit card, checking, and other records to review what you've purchased. Then, ask yourself if it makes sense to reallocate some of this spending to an emergency savings account.
- Never purchase expensive items on impulse. Think over each expensive purchase for at least 24 hours. Acting on this principle will mean you have far fewer regrets about impulse purchases, and far more money for emergency savings.
- Use debit and credit cards prudently. To minimize interest charges, try to limit credit card purchases to those you can pay off in full at the end of the month. If you use a debit card, don't rely on an overdraft feature to spend money you don't have. With either approach, you'll have more money available for emergency savings.
- Are you looking for an effective way to establish a budget? Beginning on the first day of a new month, get a receipt for everything you purchase. Stack and review receipts at the end of the

Source: America Saves

## STEP-BY-STEP INSTRUCTIONS WITH VISUALS

These show processes of how to deal with or fix a crisis. Combine tips, explanations, and visuals to provide content that keeps people interested.



### STEP-BY-STEP INSTRUCTIONS SHOULD

- Provide detailed directions and order for dealing with how-to information.
- They should explicitly state what to do, in simple language and illustrations.

### FORMULA FOR STEP-BY-STEP INSTRUCTIONS

- Titles should be specific and indicate the number of steps involved.
- For each step, have a title of what the step is, a sentence or two of explanation, and an illustration.

### AVOID

- Avoid having too many steps (more than about ten). This can feel like too much to digest. Break it down into multiple processes if needed—or consider using checklists. This will keep consumers from losing hope in a process that is too daunting.

### IDEAS

- Use the illustrations to tell a coherent story.

## Steps



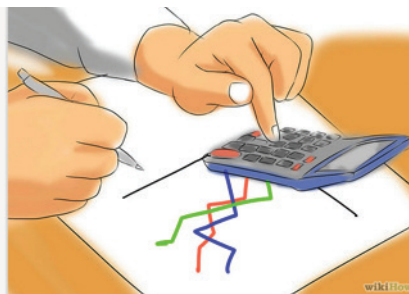
**1** Seek the advice of professional financial advisors to help you with this task, realizing you can't afford to make mistakes, since you'll need to make every dollar grow. Saving and investing for a reliable retirement income for the rest of your life — no matter how long you live — is an ambitious undertaking that takes knowledge, time and skill. So, it's likely that you may need or want this kind of help.



**2** Budget to save as much money as possible and avoid unnecessary spending. Cut down on luxuries. Don't spend "seed" money but invest/germinate the seeds, hold/plant and water — nor do you "eat nest eggs" that need to be allowed to "hatch," grow and multiply into a productive "flock" of investments. Live mostly on absolute essentials, (food, shelter, transportation)... Search around for the best prices. Buy things that will appreciate in value (e.g.: a home, collectible gold, land...) and avoid things that depreciate in value (e.g.: a new, or expensive car, big TVs). For example, read books or watch basic television channels instead of paying for cable television, cooking your own food instead of dining in restaurant, quitting smoking. Learn to live simply on modest means, and always look for free alternatives.<sup>[2]</sup> Always think of opportunity cost: the dollar you spend now could turn into many dollars by the time you retire. Smart spending will provide the foundation for saving money for retirement.



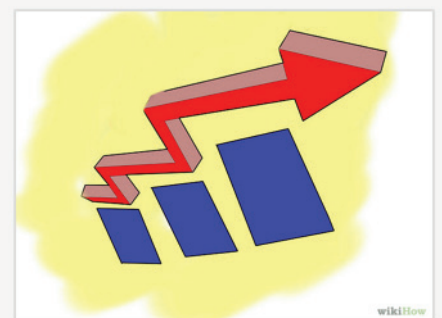
**4** Develop an investment plan called a portfolio for your saved money. A portion should be delegated to stocks, another portion to bonds, another portion to commodities like gold and silver, and another portion to cash in the form of savings account, certificates of deposit (CDs), etc. An example allocation is 60% stocks, 20% bonds, 10% gold and silver, 10% cash. The reason for diversification is to reduce risks and maximize returns. By not having all assets in a single asset, you are less affected — if the value of one of components in your portfolio crashes.



**5** Rebalance the categories in your portfolio periodically (e.g. monthly, quarterly, or annually) to maintain the proportions. For the example above, if stocks crash and gold and silver soar, the weight of stocks will be less than 60% and gold and silver more than 10%. You will then sell gold and silver to buy stocks until 60% stocks and 10% gold and silver is restored. Rebalancing helps you to maintain control of your emotions and practice buying low and selling high, rather than the reverse. This will help you lower the risks of losing money.



**3** If you live in the United States and it is available to you, enroll in a 401(k) account. If your employer offers 100% match up to a maximum that will be matched, find out what the maximum is, and contribute at least the amount required to get the maximum company match. 401(k) accounts are actually mutual funds that can charge high fees (e.g. around 1% per year) and therefore will not do as well as investing in stocks and bonds directly. But with employer matching your funds, you can double your investment immediately, and then hopefully your fund investment will increase in value. 401(k) accounts also offer tax advantages; inquire and read about them. You may be required to contribute at least a minimum amount to qualify for employer matching (to save about 10-30% of your income). Remember that 401(k)s are taxed upon distribution; so make sure you know what the tax rate will be when you take your money out. Estimate your tax before using it; you need to hold back enough for paying taxes.



**6** Diversify within each asset class of your portfolio by assigning a weight to each sub-class. Buy stocks both domestic and foreign, from every sector, and of any market cap. Buy both government and corporate bonds. As for gold and silver, buy physical metals to take possession. Don't trust others to store your valuables for you that you bought at high costs. Don't buy gold and silver more than 10-15% over spot, or else they would have to appreciate a lot for you not to lose money when you need to cash out. Gold and silver coins over 100 years old may be considered better than bullion because they have numismatic value in addition to their intrinsic metal values.

Source: wikiHow

## RELATED QUESTIONS

When providing content online or in printed form, related questions can be used to help people think about related topics or suggest ways to dig deeper on topics.



### RELATED QUESTIONS SHOULD

- Offer relevant content.
- Offer ways to dig deeper on topics.

### FORMULA FOR RELATED QUESTIONS

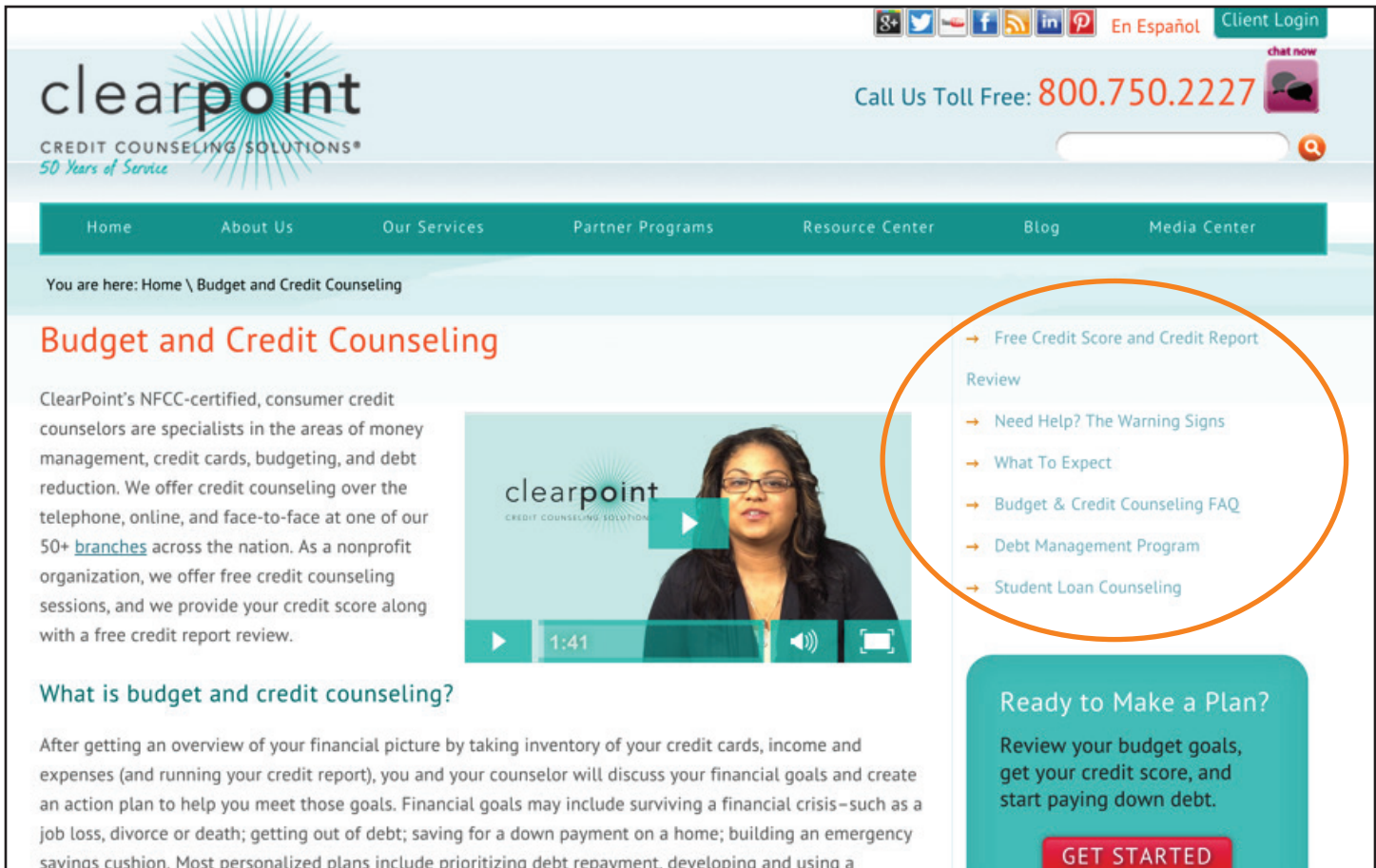
- Treat related questions as a sidebar to the primary content you are providing.
- In suspected high stress queries, show fewer related questions.

### AVOID

- In presenting information, related questions should never take priority over delivering content that answers their direct question.

### IDEAS

- An idea from wikiHow: Related questions are used as a safety net to second-guess what else the user may have meant in the original query.
- If the related questions feel irrelevant, people will question your motives.



The screenshot shows the Clearpoint Credit Counseling Solutions website. The header includes the Clearpoint logo, social media icons, a language selector for Spanish, a client login button, and a toll-free number. A navigation bar lists various site sections. The main content area is titled 'Budget and Credit Counseling' and features a video player with a woman speaking. To the right of the video is a list of links to various services, which is circled in orange. Below the video is a section titled 'What is budget and credit counseling?' with a paragraph of text. On the right side, there is a 'Ready to Make a Plan?' section with a 'GET STARTED' button.

clearpoint  
CREDIT COUNSELING SOLUTIONS®  
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Home About Us Our Services Partner Programs Resource Center Blog Media Center

You are here: Home \ Budget and Credit Counseling

## Budget and Credit Counseling

ClearPoint's NFCC-certified, consumer credit counselors are specialists in the areas of money management, credit cards, budgeting, and debt reduction. We offer credit counseling over the telephone, online, and face-to-face at one of our 50+ [branches](#) across the nation. As a nonprofit organization, we offer free credit counseling sessions, and we provide your credit score along with a free credit report review.

clearpoint  
CREDIT COUNSELING SOLUTIONS

1:41

- [Free Credit Score and Credit Report Review](#)
- [Need Help? The Warning Signs](#)
- [What To Expect](#)
- [Budget & Credit Counseling FAQ](#)
- [Debt Management Program](#)
- [Student Loan Counseling](#)

### What is budget and credit counseling?

After getting an overview of your financial picture by taking inventory of your credit cards, income and expenses (and running your credit report), you and your counselor will discuss your financial goals and create an action plan to help you meet those goals. Financial goals may include surviving a financial crisis—such as a job loss, divorce or death; getting out of debt; saving for a down payment on a home; building an emergency savings cushion. Most personalized plans include prioritizing debt repayment, developing and using a

Ready to Make a Plan?

Review your budget goals, get your credit score, and start paying down debt.

GET STARTED

Source: Clearpoint Credit Counseling Solutions



## GAMES

Games can be a fun way to learn—when people feel relaxed. In high stress situations, however, they may cause feelings of frustration and even distrust.



### A GAME SHOULD

- Use for only positive situations, such as saving for a trip, wedding or goal or learning a new skill.

### FORMULA FOR GAMES

- Be clear what the game teaches and helps people practice.
- Couple it with more serious and trusted content. In suspected high stress queries, show fewer related questions.

### AVOID

- Avoid making the game about serious crisis issues. When under stress or when they feel the need to take immediate action, people may view games as useless or a waste of time.

### IDEAS

- Games would be good for teaching kids the use of money or adults how to invest.

### Money Game

[View More by This Developer](#)

By Light Bulb

Open iTunes to buy and download apps.



#### Description

United Way of Greater Atlanta announced today the launch of its Money Game 2 app. Money Game 2 is the re-launch of Money Game, a free mobile application providing a new way for people to become engaged in a subject that some may consider boring – financial wellbeing. The new version of the app uses financial trivia to motivate users to learn how to become financially self-sufficient so they can do more than live from paycheck to paycheck. And the education doesn't stop there. Users can obtain financial education certification – often a prerequisite for home buying or starting an Individual Development Account (IDA)

[Light Bulb Web Site](#) ▶ [Money Game Support](#) ▶

Source: United Way of Greater Atlanta

### SUMMARY

There isn't an exact right way or wrong way to provide content. Follow these guidelines to match the situation with the depth of information needed. When in doubt, assume individuals are dealing with a crisis if they are searching you out, and design for Just-in-Time content delivery. ■

