

# **Turning the Tide on Financial Literacy**

## **Part 2: Specific Solutions for Your Bank**

Wednesday, October 4  
1:00 PM – 2:00 PM EST

# Housekeeping Announcements

- ✓ Webinar is being recorded.
- ✓ Slides and recording will be emailed.
- ✓ Ask questions in the Q&A pod.
- ✓ We'll get to questions at the end!

# Today's Agenda

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- About the ABA Foundation
- Recap Current State of Financial Literacy and Trends
- Solutions your bank can use to bridge the gaps
  - Guest speakers
- Audience Q&A

# Guest Speakers



**Tracie Anderson,**  
U.S. Markets  
TransUnion

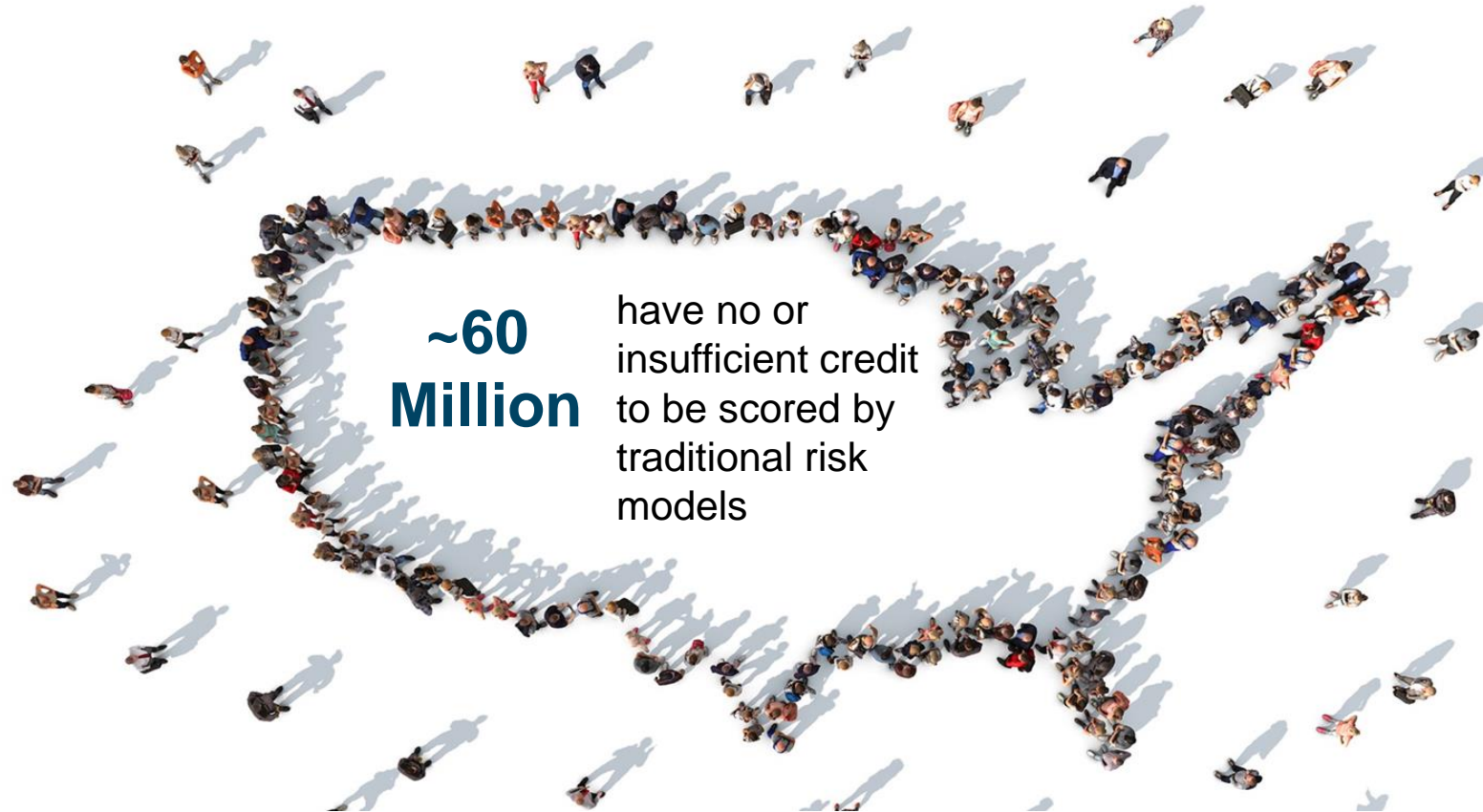


**Lance W. Triggs,**  
President, Program  
Operations,  
Sr. Executive Vice President,  
Operation Hope



**Denise Phelps,**  
Vice President, Director of  
Diversity & Engagement,  
First United Bank & Trust

# Access to credit is a critical element in underserved consumers' journey to financial wellness



VantageScore® 1.0 Range < 500

Source: US census and TransUnion US consumer credit database

All consumers in pursuit of financial wellness often desire to be effectively empowered, engaged, and evaluated

Advancing financial inclusion centers on how institutions can make this journey more achievable for underbanked consumers while safely growing their business

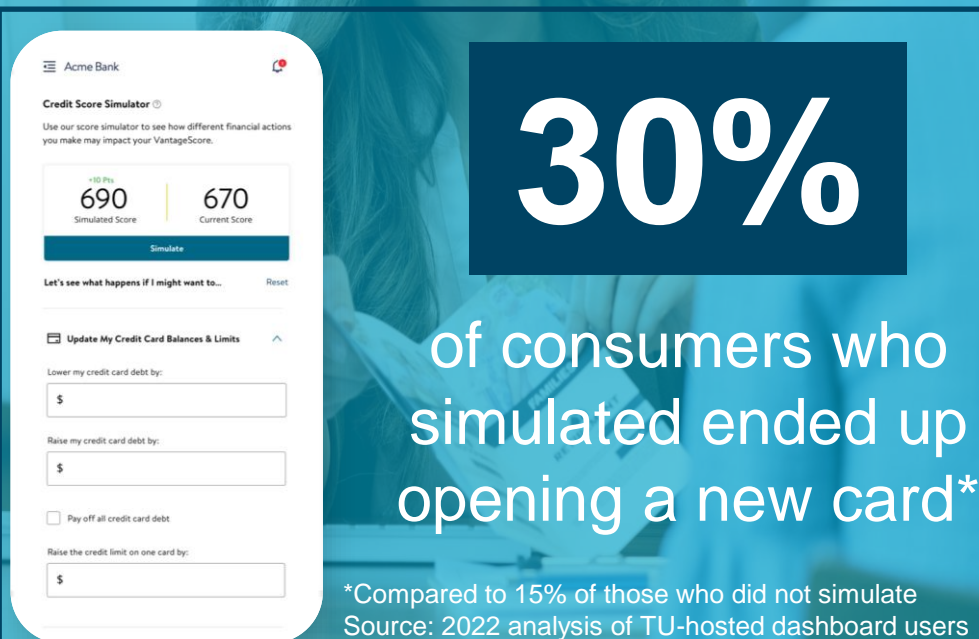


# Empower

**Financial education is a critical ingredient in a consumer's financial wellness journey and a lender's growth strategy**

To optimize outcomes, your strategy must include meeting underserved consumers where they are with:

- Relatable educational resources
- Trusted connection points for accessing these resources



**30%**

of consumers who simulated ended up opening a new card\*

\*Compared to 15% of those who did not simulate  
Source: 2022 analysis of TU-hosted dashboard users

# Engage

## Foster Greater Participation With Tailored Consumer Experiences



## Delivering tailored experiences starts with identifying your target consumer group

Underserved consumers have unique characteristics. Therefore, it's important to understand them to define audiences to reach these consumer segments.

### To help build your target audience:

- Utilize offline **non-credit based data** to build an addressable audience across demographic, behavioral, and geographic data sources
- Expand and activate those audiences across paid and owned media accounts
- Use deeper, identity-backed audience profiles to help improve engagement and conversion rates



# Evaluate

## Alternative data and innovative solutions help aid consumers on their financial wellness journey

Not all consumers follow a traditional credit path – alternative data solutions provide lenders with the pieces needed to assess these consumers despite limited or no credit history



A delicate balance exists for organizations to support consumers while still managing risk within their portfolios.



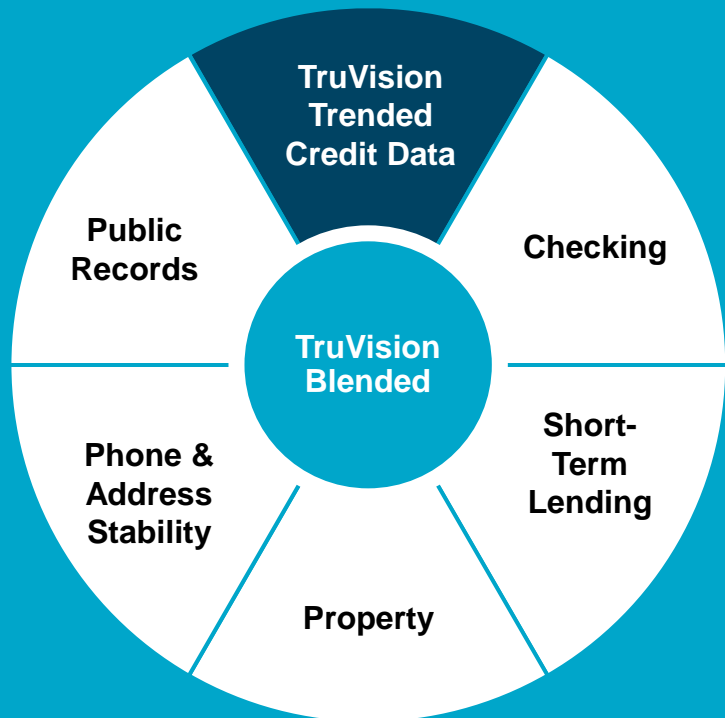
More information leads to better decision-making for lenders and, in turn, the right opportunities for consumers.



In times of economic uncertainty, it is even more important to have a holistic view of a consumer's financial position.

# Evaluate

## TruVision Blended



TransUnion’s alternative data solution suite aims to provide the most insightful and comprehensive view into consumers

### Alternative Data



- **Checking** – Insights on a consumer’s ability to manage a checking account
- **Short-Term Lending** – Insights on a consumer’s usage of high-risk products
- **Property** – Insights on equity and stability
- **Phone & Address Stability** – Insights on a consumer’s duration and number of addresses over time
- **Public Records** – Insights on a consumer’s bankruptcy history

### Trended Consumer Credit Data



- Time-series view (including thin-file consumers)
- Trended utilization
- Excess payment/payment ratios

# Evaluate

## Focusing on Outcomes Mid-sized Lender

Case Study

During the lender's implementation of VantageScore<sup>®</sup>, the lender and TransUnion uncovered an opportunity to incorporate alternative credit data by adding TruVision Blended alongside VantageScore<sup>®</sup>

### RESULTS

- Utilizing both TruVision Blended and VantageScore<sup>®</sup> data allows lenders to **accurately score more than 90% of applicants returned as no-hit or thin-file by traditional credit models**
- TruVision Blended is able to score **99% of the lender's loan applicants**, delivering enhanced results over other scores

# Thank You

**Tracie Anderson**

**tracie.anderson@transunion.com**





## American Bankers Association Conference

Turning the Tide on Financial Literacy, Specific Solutions for Your Bank



# WHO WE ARE



## OUR MISSION

*To expand economic opportunity, making free enterprise work for everyone.*

**Over 31 years** as a non-profit, for purpose leader in financial literacy, financial dignity and financial empowerment.

**Over 4.5 million people served and over \$3 billion is capital invested** in underserved communities

**At Operation HOPE**, we apply techniques honed through years of coaching to empower our clients to overcome their specific financial challenges by transforming their mindset, while supporting them in accomplishing their financial goals.

**With credentials from nearly 40 federal government agencies**, we apply our comprehensive knowledge of the financial system - raising credit scores, reducing debt and increasing savings - while enabling individuals to pursue their dreams of owning a home, starting a business or whatever aspirations they may have.

***All of which is tied to meaningful partner and client outcomes, backed by quantitative data.***



# ▶ WHY FINANCIAL LITERACY



**We believe that financial literacy is a civil rights issue for this generation.** Financial literacy empowers all of us to make smart decisions – how to budget, save, borrow, and invest. It helps us buy a car, a house or pay for school. Conversely, the lack of financial knowledge creates barriers to fully participate in the economy, and in turn, the American Dream.

**67%**

**of Americans**  
do **not** have enough  
money set aside  
for emergencies



**\$415B**

is the cost U.S.  
citizens are paying for  
**financial illiteracy**



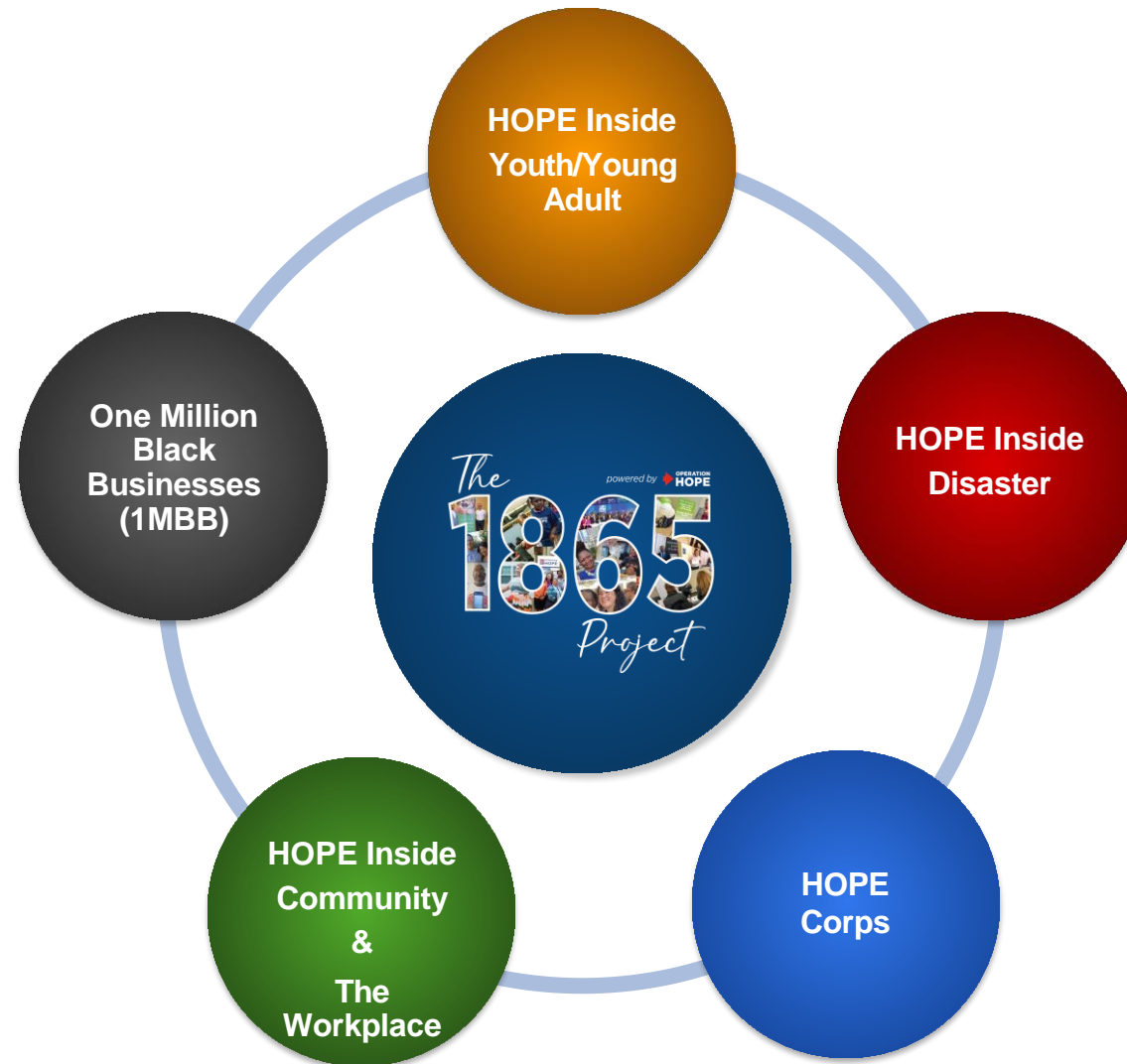
**4 in 5**

youth failed a  
financial literacy  
quiz





# PARTNERSHIP OPPORTUNITIES







# HOW WE CREATE CHANGE

## **EDUCATION THROUGH COACHING**

Operation HOPE provides a series of programs to help each of your employees, consumers and businesses build a path to successfully managing their money, owning a home, starting a business or providing guidance to recover from a disaster.

## **COACH ENCOURAGES LEARNED SKILLS INTO PRACTICE**

Putting what we teach into practice and connecting consumers, businesses and your employees, to the correct resources so they can continue their journey.

## **CONNECTION TO FINANCIAL DIGNITY**

As a result of financial wellness coaching, consumers, businesses and your employees gain the necessary tools to increase their financial health and attain their financial goals.





# ANALYTICS & REPORTING

As our partner, you will have access to an interactive, digital dashboard with analytics on production and impacts, including quantitative and qualitative data.

The dashboard tells a holistic story of the education and coaching activities engages in (e.g. virtual group education and coaching, self-paced LMS, 1:1 coaching, etc) and the efficacy and impact of those engagements. This data will not only highlight the successes of the program but will also provide evidence on how HOPE should adjust and/or improve its services to yield the best results.





**First United**  
Bank & Trust

[MyBank.com](https://www.firstunit.com)

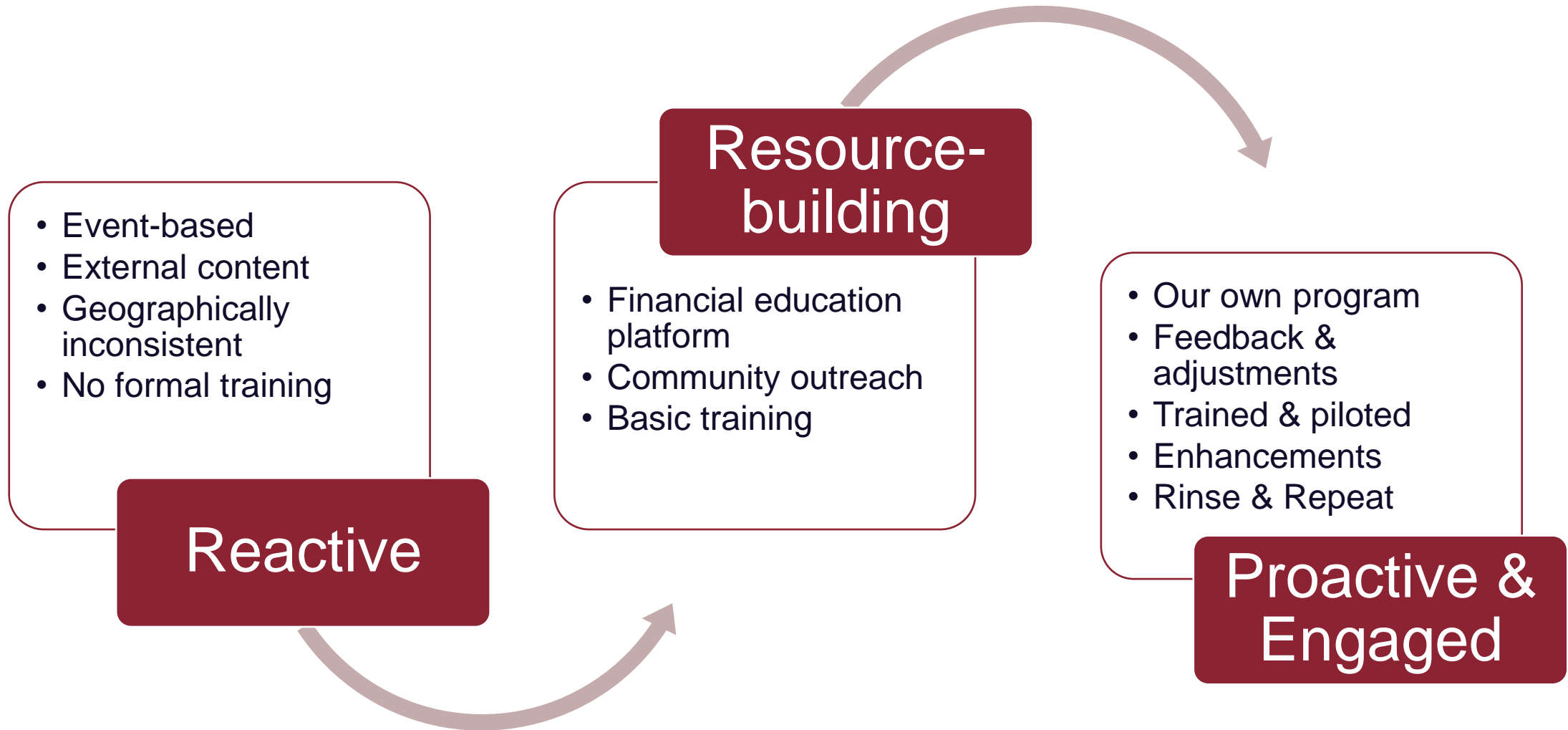
**ABA's Turning the Tide on  
Financial Literacy**

# First United's Solutions in our Communities



- Our Evolution
- The Process
- Lessons Learned
- Outcomes & Impact
- Key Takeaways

# Our Evolution



# Our Process



Organizations

Associates

Customize

**Present**

Follow-up

Measure

Evaluate

**Repeat**



# Lessons Learned

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- Customize
- Be flexible
- Learner mindset
- Formalize training
- Engage all employees
- Whiplash
- Unconventional ideas
- Partner with other banks
- Communicate outcomes



# Outcomes & Impact

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- Under-banked & Un-banked
- Community Members
- Recruitment opportunities
- Unexpected new business





# Reach Out & Share Your Successes

**Denise Phelps**

VP, Director of Diversity &  
Engagement

[dphelps@mybank.com](mailto:dphelps@mybank.com)

304-263-3312



# Q&A



# Get Smart About Credit Day – October 19!



- New Lesson “Paychecks to Prosperity”
  - PowerPoint
  - Facilitator Guide
  - Train the Trainer Video on the lesson
- Initial in series of ***Financial Firsts***

No GSAC Webinar – instead look for the link to **Kick off Video** available **October 13** on the Get Smart Resource Page

Register for [Get Smart About Credit](#) for Free!!



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CAMERA  
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SAFE BANKING  
FOR SENIORS®

**ABA Foundation has set a three-year, industry-wide goal:  
enable 5 million Americans to access pathways to prosperity.  
Join us by participating in these free programs.**

[aba.com/FinEd](https://aba.com/FinEd)

# ABA Point of Contact



**Kelsey Havemann**  
Senior Manager,  
Youth Financial Education  
202.663.7638  
[khavemann@aba.com](mailto:khavemann@aba.com)



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