

Mission in Motion: **Financial Well-Being as the** **Credit Union Differentiator**

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What exactly is financial well-being?

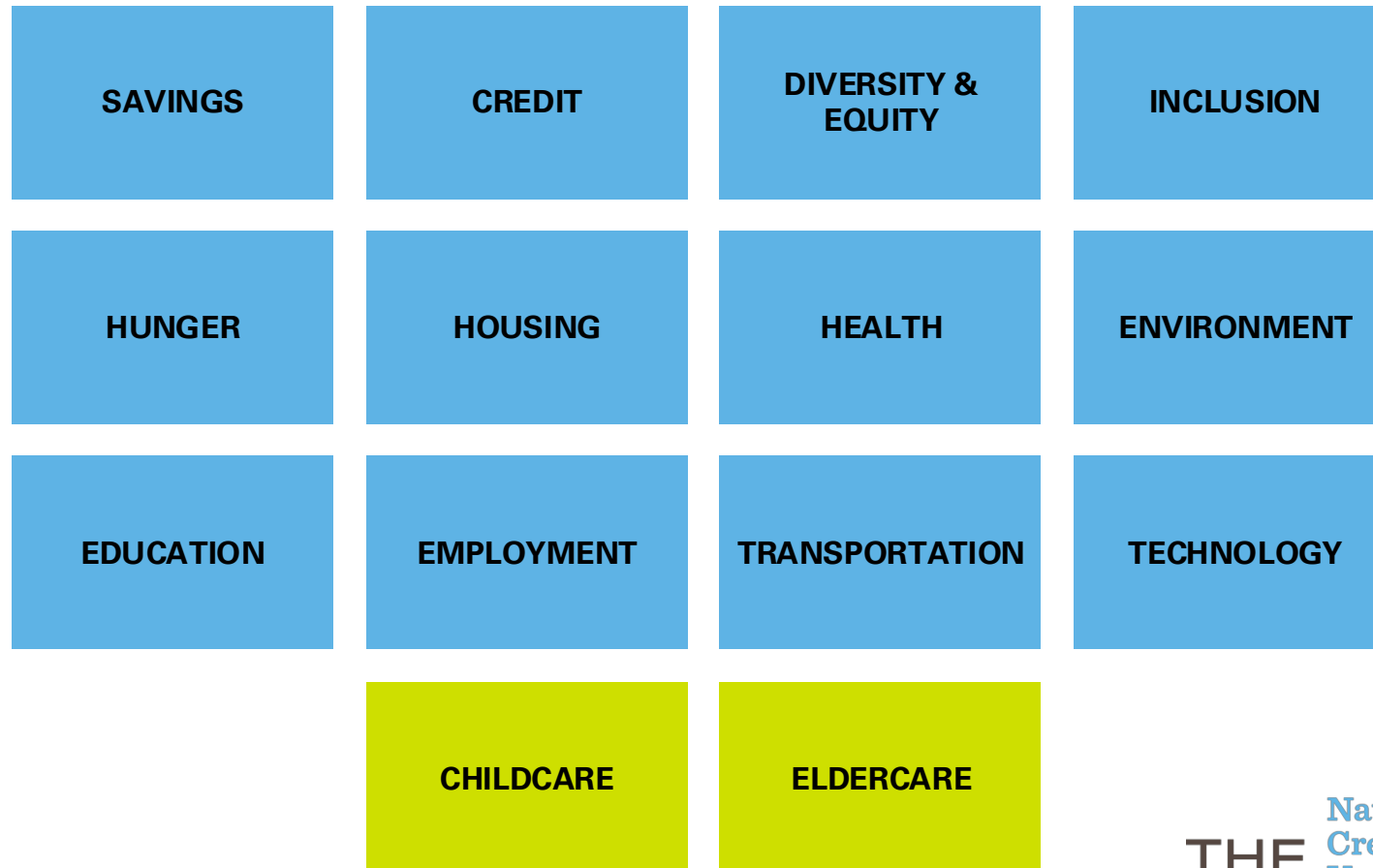


- Financial education and literacy are a part, **and** it's also so much more.
- It's what I do with my money and how I feel about my money.
- Financial health and well-being are deeply connected to every other part of my life – my housing, my access to food, transportation, education, healthcare, etc.



“Financial well-being describes a continuum— ranging from severe financial stress to being highly satisfied with one’s financial situation—not *strictly* aligned with income level”

Development issues





Money doesn't buy happiness... or does it?

- **Financial wellness** is correlated with **good health**
- **Financial stress**, including a high debt-income ratio, puts **physical and mental health at risk**

<https://www.cuimc.columbia.edu/news/link-between-health-and-financial-well-being>

Financial health: a leading indicator of physical health?

2024 Study from Georgetown and Federal Reserve Bank of New York:

- One of the **first signs of Alzheimer's** is a slipping credit score
- Late payments on credit cards and mortgages are evident **five years before** someone gets officially diagnosed





CUInsight

Landings Credit Union receives Dementia Friendly Certification

Landings Credit Union recently received the designation "Dementia Friendly Certified" by partnering with the City of Mesa and training with Oakwood Creative Care. As a Dementia Friendly Credit Union, Landings employees are committed to supporting people living with dementia, and their caregivers. In addition to employees going through the certification training, each branch has Dementia Advocates who receive ongoing education to stay current with best practices so they can support the entire Landings team and membership.

United Way's ALICE

Asset-
Limited,
Income-
Constrained,
Employed

*“...households that earn more than the Federal Poverty Level, but **not enough to afford the basics where they live...**”*

United Way's ALICE

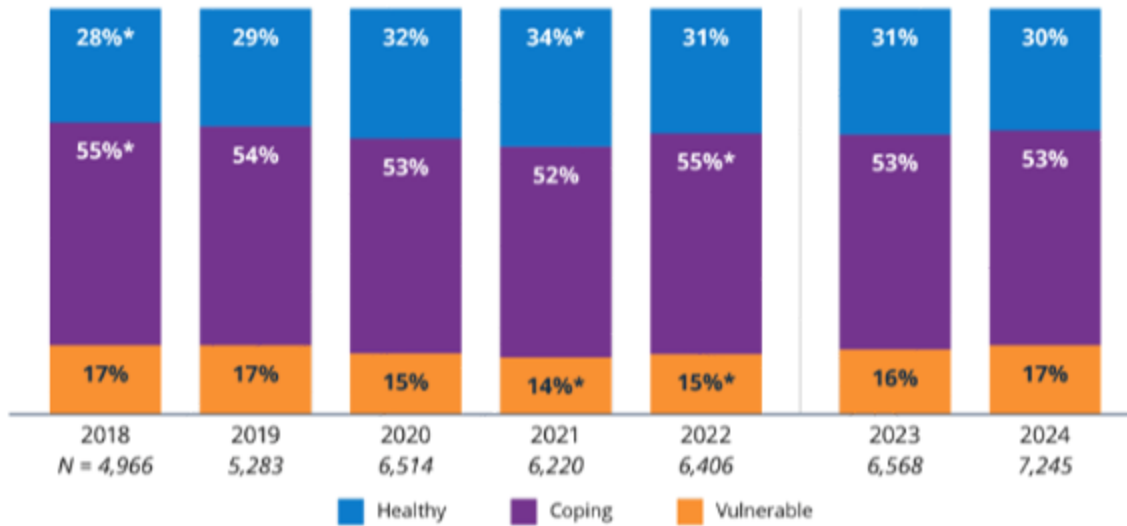
Of the 270,644 households in the Alaska in 2023:

33% of households were below the ALICE Threshold (either poverty or ALICE)

That's 90,650 households in Alaska who cannot afford the basics.

When mission meets moment

Figure ES1. Overall financial health remained steady between 2023 and 2024.
Percentage in each financial health tier, by year.



- 17% of Americans are financial vulnerable
- 53% of Americans are just financially coping
- **Only 30% of Americans are financially healthy**

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Financial well-being can be defined as a state of being where you:

- can fully meet your current and ongoing financial obligations
- can feel secure in your financial future
- can make choices that allow enjoyment of life



“Through learning and effort,
and given reasonable
opportunity and supports, it
appears that **people can
move along the continuum to
greater financial well-being**”

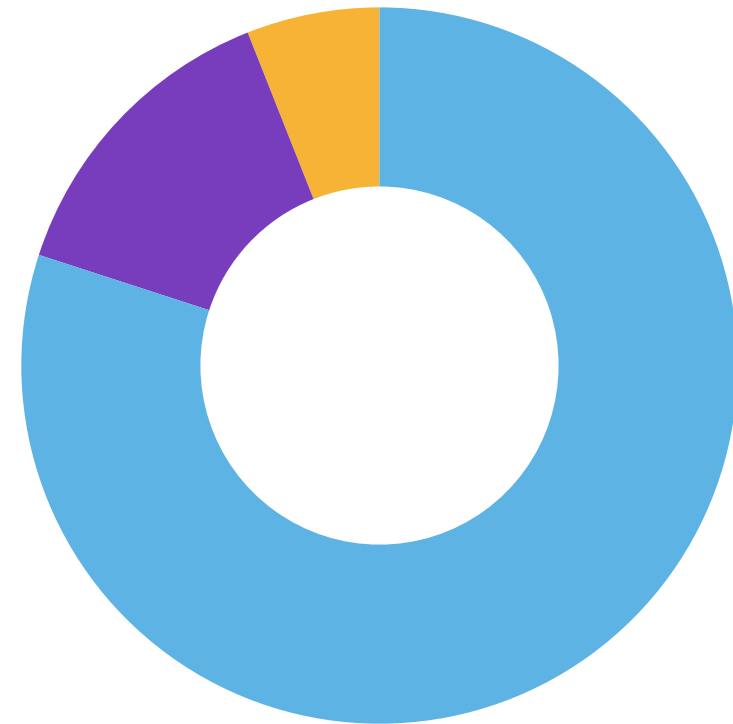
An opportunity to differentiate

80% of consumers expect their PFI to help them improve their financial health

14% of consumers strongly agree that their PFI does this

Consumers who feel their PFI supports their financial health are:

- 3X more likely to recommend their PFI
- 2X more likely to continue their relationship over the next five years
- 5X more likely to purchase additional products



As credit unions, what should we do to help bring financial well-being to life?

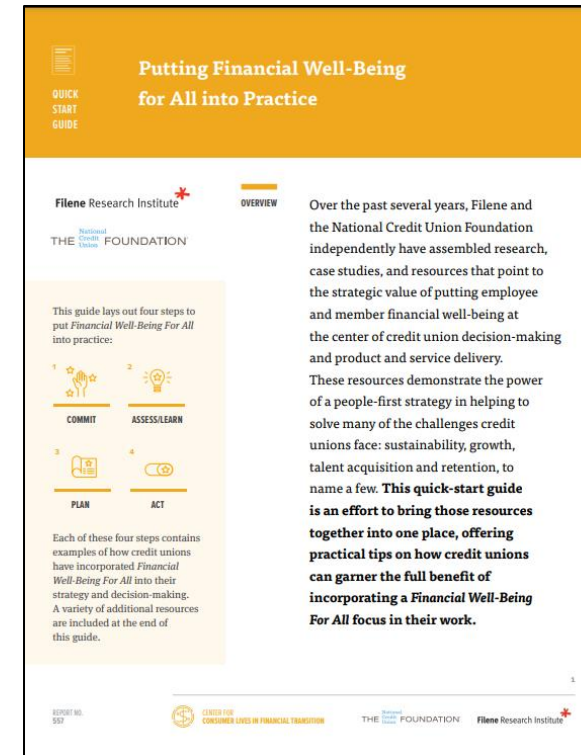
1. Start with our strategy top-down
2. Include our people at all levels
3. Design all products, services, and policies through this lens
4. Invest in community impact initiatives
5. Tell our story!

Celebrating the power of collaboration.

Financial Well Being for All: Quick Start Guide

A cooperative effort by the Foundation and Filene Research Institute to gather resources and offer practical tips on how credit unions can garner the full benefit of incorporating a Financial Well-Being For All focus in their work.

The guide lays out four steps to put Financial Well-Being for All into practice - Commit, Assess/Learn, Plan, Act – with best practice and demonstrated results.



Putting financial well-being for all into action

Commit

Integrating a holistic financial well-being strategy starts with commitment at the top. Discover ways to engage your C-Suite, senior leadership and Board of Directors.

Assess/Learn

In order to improve someone's financial well-being, you must know your starting point. Explore examples of successful baseline metrics and long-term impact tracking.

Plan

A fully integrated financial well-being strategy has to influence every element of your organization. See how other organizations have operationalized financial health.

Act

A successful financial health strategy has to be adaptable. Uncover opportunities to continuously listen, learn and adjust your program to improve financial well-being for all.



Inspire and educate your people: CUDE Program

- Week-long experiential training
- Take a deep dive into the development issues that prevent people from achieving financial well-being—and learn how credit unions are uniquely positioned to address them



Get connected to resources: The FinHealth Hub

<https://www.ncuf.coop/finhealth-hub/>



Learn. Connect. Grow.
A collection of tangible
resources and tools to
help your credit union
implement financial
well-being for all.

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The role of **community impact work** in fueling **advocacy work**

It's your turn:
Carry the torch
forward for financial
well-being for all, and
**together we can
change the world.**



Thank you!

Lauren Culp, Executive Director, National Credit Union Foundation

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