

Financial Social Work “101” And How You Can Integrate It Into Your Practice

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Learning Objectives for Workshop

- 1) Get an overview of financial social work and how it is emerging today in social work practice
- 2) Learn more about the basics of financial issues and how they impact clients' lives
- 3) Learn how to integrate financial social work concepts into practice and to have a practice that is especially sensitive to clients' financial and psychosocial needs

Why Financial Social Work?

- Economic Recession impacted individuals & families across ALL income levels
- 35% of MD residents lack sufficient savings, 55% use subprime credit
- Finances are integrally related to individual, family and community wellbeing
- Person-in-Environment needs to include financial
- Application to diverse social service settings and populations
- Financial capability = attitude, knowledge, skills, and self-efficacy needed to make money management decisions that best fit the circumstances of one's life
 - Need enabling environment that includes, but is not limited to, access to appropriate financial services. (Center for Financial Inclusion definition)

Why Financial Social Work?

Need to:

- Integrate financial and psychosocial aspects of counseling
- Recognize that a host of problems contribute to financial & emotional distress/devastation (life-threatening illness, aging at times, interpersonal violence, foreclosure, job loss)
- Address problems in a comprehensive, holistic way
- Recognize that financial and emotional stress are closely intertwined
- Identify social workers/counselors to be skilled in/comfortable with these areas with assessment and intervention

Why Financial Social Work?

- Development of interventions that address financial and psychosocial realities
- Development of new surveys measuring financial realities, capability, knowledge, self-efficacy
- Addressing poverty and income inequalities through policy and legislation
- Establishing partnerships among schools, agencies, practitioners, macro social workers, and others

Financial Social Work Considerations

- Social work practice with vulnerable individuals with complex needs, e.g., older adults, foster youth aging out of system, those previously incarcerated, those dealing with life-threatening illness, those dealing with intimate partner violence
- Social work practice with individuals and families who are trying to improve their financial situations and find greater stability
- Ethical requirement to understand, assess, and address with our clients the totality of their psychosocial, financial, and environmental realities
- What is financial capability?

Social workers = financial planners?

- Social workers currently help clients create budgets, manage benefits, and sometimes manage their finances (Ex: representative payees through Social Security).
- Social workers can help clients work through the psychosocial side of financial management.
- Social workers help clients often within the larger context of a psychosocial stressor(s).
- Social workers should not give financial advice, investment tips, or provide referrals to brokers (unless they are certified as well).

Financial capability is...

- According to Margaret Sherraden...
 - Combines a person's **ability to act** with their **opportunity to act**
 - More than financial education
 - Must have access to financial products and services that allow them to act in their best financial interest
 - Leads to improved financial well-being and life chances

Application to Micro Social Work

- Clinical activities (counseling, coaching, therapy, resource linkage, and so forth) *but* so much more
- Cross-cultural considerations
- Our social work values
- Challenge of finite resources
- Responsive practice
- Theoretical approaches to guide

Clients' assessment

- What to consider:
 - Does monthly income cover ongoing expenses?
 - Is income stable every 2 weeks or month?
 - Are they receiving any public benefits?
 - Are they eligible for any public benefits that they are not receiving?
 - Is there an impact on working ability?

Client interview

- Create a supportive environment.
- Understand what the client has gone through or is going through before he/she got to you.
- Take time to fully understand the issues at hand before getting straight to the solution
- Utilize “active listening” skills.
- Keep questions open-ended and probe as needed to delve into specific statements.

Theoretical Approaches that Guide Counseling Techniques

- Strengths-based
- Crisis intervention
- Brief, solution-focused
- Supportive
- Psychodynamic
- Cognitive-behavioral
- Grief
- Resource linkage
- Financial coaching

Interventions

- Supportive, strengths-based
- Family systems
- Crisis
- MI
- Grief/loss
- Advocacy
- Consultation
- Resource and peer linkage

SOCIO-ECONOMIC EMPOWERMENT ASSESSMENT (Hawkins & Kim, 2011)

- What happens to money when you get it?
- Do you think you are managing your money well?
- In the past, what have you done with money you received?
- How does having money make you feel?
- How do you reward yourself?
- What are some of your memories about having money when you were growing up?
- Growing up, who in your household was in charge of money?
- What friends or family members have helped you with money?

SOCIO-ECONOMIC EMPOWERMENT ASSESSMENT (Hawkins & Kim, 2011)

- Have friends or family members caused you to spend money in a way that you didn't want to?
- Now or within the last few months, is there anything related to money that is stressful for you?
- Is there anything you feel is not related to money that is stressful or that you worry about?
- What do you think are the barriers to your not having as much money as you need?
- Are there educational barriers to stop you from being financially secure?
- Do you think you will be able to make enough money to survive in the future?

Bean Game

- Groups of 2-3 people
- Think of your group as a family
- Together as a family, decide how you want to spend your beans
- Each item has a set number of squares which indicates how many beans are needed to 'pay' for that item
- Move beans around until family is in agreement

Bean Game Discussion

- Easiest decision? Most difficult?
- If you had played on your own, would you have spent the beans differently?
- How did values, goals, and past experiences of each group member affect your choices?
- How did the negotiation process change after your budget got slashed?

Exploring your financial values

- Why do my financial values matter if I'm counseling someone else?
- How does my own financial history impact my decisions?
- How can I help someone else with their finances if my own finances are not perfect?
- I don't have enough money to manage, so why do my financial values matter?

Big questions

- What Is Really Important to You?
- What Do You Want Out of Life?
- What Do You Want From Your Money?

Exploring your client's financial values

- I can't save because.....
- Every time I have money.....
- My family is broke and I'll always be broke.
- My money is my family's money.
- I don't know how to manage my money.
- Banks don't care about poor people like me.
- Banks are for rich people.
- People who have money are greedy.
- I can never be rich.

Role of social worker with client

- Reflecting on your own biases
- Asking questions without judgment
- Money is emotional; stay with the client where he/she is
- Use continuum to ask directive questions
- Familiarize yourself with types of financial assistance programs

Financial coaching

- Strengths-based
- Client-driven
- Work on self-identified financial goals

- Hear about financial coaching in action:

- <https://www.youtube.com/watch?v=fLrMaKAVKgl&t=18s>

Financial education

- Several key areas to focus on:
 - Understanding basic banking services.
 - Understanding tax credits and how to file taxes.
 - Basic budgeting/creating a spending plan; shifting if needed during the crisis.
 - Understanding financial values and decision-making.
 - Protecting yourself from identity theft.
- Resources: FDIC Money Smart curriculum
<http://www.fdic.gov/consumers/consumer/moneysmart/index.html>
- Your Money Your Goals (CFPB)
- <http://www.cfpb.gov>

Case management

- Client usually doesn't come to organization for overall financial planning assistance.
- Often doesn't focus enough on person-in-environment; need to look at issues holistically.
- Due to lack of income stability, case management is often focused on crisis intervention (eviction, utility shut-off, housing, food).
- If contact is limited and short-term, make sure client is connected to ongoing support on financial and psychosocial issues.

Counseling

- Financial stress can cause feelings of low self-worth, depression, anxiety, shame, and hopelessness.
- Financial stress is a major factor in divorce, family tension and fighting, job loss, and program/school drop-out.
- Depending on your role, client may need to be referred to a counselor/therapist to address mental health and emotional issues.

Information and referrals

- There are countless programs and resources available to clients, but they often don't know about them, or can feel helpless or overwhelmed.
- A network of information and referral programs can help connect clients to a wide range of programs.
- Alliance of Information and Referral Systems
 - <http://www.marylandairs.org/>
- First Call for Help (211 or 800-492-0618)
 - <http://www.uwcm.org/uwcm/2-1-1-maryland.html>

Role of social worker in community

- Understand the unique financial barriers of community residents
- Reach out to existing financial institutions to engage around financial education and low-cost, appropriate products
- Use continuum to identify complimentary program and products
- Participate in local asset-building coalitions
- Identify policy barriers to financial security and advocate for change

Community assessment

- What to look at:
 - Poverty and asset poverty rates
 - Median and mean household income
 - Resources (financial and psychosocial)
 - Employment and unemployment rates
 - Median hourly wage
 - Access to basic banking services
 - Understand perception vs. reality

Programs

- Income supports
- Benefits screening and management
- Financial education
- Case management and referrals
- Counseling (financial and psychosocial/supportive)

Income supports

- Temporary CASH Assistance (TCA)
- Purchase of Care (POC)
- Head Start
- Unemployment Insurance
- Supplemental Nutrition Assistance Program (SNAP)
- Maryland Children's Health Insurance Program (MCHIP)
- SSI/SSDI

Ethical and professional boundaries

- Professional boundaries
 - Managing use of self
 - Understanding your triggers
 - Know when to refer
- Ethical boundaries
 - Allowable practice within your relationship and expectation with client
 - Allowable practice within funding or organizational requirements
 - Referrals to only services with consent of client, no economic gains or conflict with you or your organization

Asset Building Continuum - Adults

