

Lessons for Organizations on Effective Interventions for Economic Well-Being

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HOW ORGANIZATIONS SERVING FAMILIES WITH LOW INCOMES CAN STRENGTHEN THEIR ROLE IN SECURING ECONOMIC WELL-BEING

Leverage resources to implement evidence-based programs

Partner with organizations in financial security, housing, charitable food, and workforce development

Become an access point for coordinated assessment of people experiencing homelessness

Provide application assistance for benefits programs

Collaborate with community partners on data sharing to better understand families' needs

Increase employer engagement in workforce programs

Make the case for more housing assistance, higher wages, better jobs, and paid leave policies

Support evidence-based programs

Implement and **evaluate the impact** of programs serving families with low incomes

Develop programs for trauma-informed human services delivery

Read the report: Barbara A. Butrica and Kassandra Martinchek, *Effective Programs and Policies for Promoting Economic Well-Being: Lessons from the Financial Security, Housing, Workforce Development, and Case Management Fields* (Washington, DC: Urban Institute, 2020).

Families with low incomes often struggle with multiple hardships, including food insecurity, joblessness, low-wage jobs, housing instability, and financial insecurity. Organizations serving these families can use lessons from financial security, workforce development, housing, and case management interventions to expand their capacity, improve direct service delivery, and build partnerships that provide additional wraparound services to their clients.

FINANCIAL SECURITY

Being financially secure means being able to pay one's bills, being resilient to financial shocks, and being on track to meet one's financial goals. Most interventions focus on financial capability, incentivized savings, or credit and debt.

Measures of success: use of mainstream financial services (e.g., a checking or savings account) instead of payday lenders, increased credit scores and credit visibility (having a credit score), improved savings behavior, and reduced debt and delinquencies.

Financial coaching is intended to improve financial capability. This intervention typically involves multiple individualized, one-on-one sessions that focus on changing behavior to achieve long-term financial goals. Promising evidence suggests that it has a **large positive impact on savings, debt, and credit**.

Individual development accounts (IDAs) are a successful incentivized savings intervention. They match personal deposits when account holders use the savings for specific asset purchases. IDAs have been shown to have a **large positive impact on savings, material hardship, and homeownership**.

Credit-building interventions combine classroom-based financial education and counseling with access to high-quality financial products (e.g., small-dollar installment loans) to help families with low incomes build credit. Emerging evidence suggests these programs can help people **establish credit, increase their credit scores, and reduce their likelihood and amount of delinquent debt**.

HOUSING

Housing security encompasses numerous challenges, including trouble paying rent, overcrowded housing conditions, frequent moves, staying with friends and family, or being overburdened by housing costs. Interventions can be targeted to renters, homeowners, or people experiencing homelessness.

Measures of success: neighborhood quality and housing affordability, stability, and quality; for rehousing programs, lengths of stay, exits, turnovers, and permanent housing placements after program exit are also performance indicators; secondary performance measures include family stability, physical and mental health, and self-sufficiency.

Housing First provides permanent housing to people experiencing homelessness, guided by the belief that people need basic necessities like housing before they can think about finding a job or getting help for substance abuse or mental health issues. It has been shown to have a **large positive impact on homelessness and family food insecurity**.

Housing vouchers subsidize a portion of rent for families with low incomes and can be used to rent private apartments and homes, regardless of location. They have been shown to have a **large positive impact on homelessness, housing instability, overcrowding, and neighborhood quality**.

Affordable housing efforts help cities and states increase low-income homeownership opportunities through **HOME Investment Partnerships** and **Community Development Block Grants**. These can include down payment assistance, loan guarantees, write-downs of the sales price, and interest rate buy-downs. Although these programs have not yet been rigorously evaluated, early findings suggest they **may increase homeownership among families with low incomes**.

WORKFORCE DEVELOPMENT

Workforce development programs prepare people for employment, help workers advance in their careers, and build a skilled workforce to support employers and the local economy. Interventions typically include employment services, education and training, and supportive services.

Measures of success: employment, job retention, increased earnings, credential attainment, and improved job quality; secondary effects include increased financial well-being and improved child outcomes.

Sector-focused programs train workers for higher-skilled positions. Most programs target high-growth industries that offer competitive wages, full-time hours, and advancement opportunities. They are shown to have **large, long-term positive impacts on employment and earnings**.

The Registered Apprenticeship Program includes paid work, work-based learning, mentorship, education and instruction, and industry-recognized credentials. Promising evidence suggests that it has **large, long-term positive impacts on earnings, productivity, and reduced use of government programs**.

The report also includes information on job search assistance, which has been shown to have positive, mainly short-term impacts on employment and earnings.

CASE MANAGEMENT

Case management coordinates services to help people navigate a complex, fragmented system of providers and programs and improve the ways they manage their resources. Interventions typically include coordinating public benefits and leveraging brain science to improve human services delivery.

Measures of success: program compliance and participation, increased access to public benefits, and improvements in key program outcomes (e.g., employment and earnings).

The EMPath program uses a coach-navigator model grounded in brain science that brings together siloed resources and helps participants consider how their health, education, family, and finance goals interrelate. It is client directed and focuses on improving participants' problem-solving and self-regulation skills that may have been compromised by the stresses of poverty. Early findings suggest that EMPath may **improve parenting skills and stress management, as well as increase earnings, employment, and job quality**.