Using *Promotoras* to Deliver Financial Education in Low-Income Communities

Curtis P. Ogland, University of Texas at San Antonio

An increasingly complex financial landscape and the current uncertainties in the U.S. economy have exacerbated the financial planning challenges of low-income households. These households lacked adequate financial literacy and were historically underserved by the mainstream financial sector. The recent growth of predatory lending practices and the increase in “fringe” financial institutions have put low-income families at further risk of economic instability (Jacob, Hudson, & Bush, 2000). In this economic climate, these families must acquire the skills necessary to navigate the financial system. Alternative models of financial education may be needed to mitigate the educational gaps in some at-risk communities (Anderson, Zhan, & Scott, 2004; Jacob, Hudson, & Bush, 2000; Lyons, Chang, & Scherpf, 2006).

This study explores a *promotora* model of delivering financial education in three low-income communities in a large South Texas city. *Promotoras* functioned as community-based, lay financial coaches. By sharing the same cultural identity as the targeted outreach population, the *promotoras* sought to build social capital and to channel financial education to families who were outside of the financial mainstream. Based on data from in-depth interviews with participants in the initiative, this exploratory study suggests that a *promotora* model might be an effective, innovative way to deliver financial education to immigrant, low-income communities.

**Literature Review**

**Financial Education**

Traditional financial education programs are often successful at increasing financial knowledge and fostering positive behavioral change, and they vary widely in their aim, scope, and target...
lost financial control over their children, as they have also lost the cradle-to-grave economic and social protection that they had enjoyed in the days of planned economy. One study showed that, in 2006, 20% of seniors were considered low-income (below annual income level of 4,600 RMB, approximately $700 USD) (Chinese Research Center on Aging, 2008).

As seniors receive less support from the traditional pension system and from their children, they need to learn how to financially prepare for their retirement and to better understand the advantages of financial planning. Also, it is important for financial educators to understand Chinese seniors’ preparedness and their special concerns and needs for retirement and to identify methods to provide corresponding educational programs.

The purpose of this study was to investigate savings and debt behavior among Chinese seniors in order to contribute to the understanding of their financial preparation for retirement. Specifically, this study aimed to answer the following questions: 1) are Chinese seniors ready, both psychologically and financially, for the recent changes in old-age support? and 2) what psychological, socioeconomic, and demographic factors are correlated with Chinese seniors’ retirement savings and indebtedness?

**Literature Review**

The Chinese cultural norm of filial piety, or *xiao*, has long been considered the major cultural force holding together the familial elder care system in China (Zhan, Feng, & Luo, 2008). To encourage this cultural practice, the Chinese government had, until recently, insisted on the provision of parent care by their adult children; providing both health care and financial support to seniors by family members is mandated by law (Du, 2006). Also, due to the lack of financial independence of many seniors and the limited social welfare programs, it was inevitable that families would take on the role of providing a safety net to older people.

audiences (Jacob, Hudson, & Bush, 2000; Lyons, Chang, & Scherpf, 2006). Traditional programs targeted to high school audiences have improved knowledge and financial behavior (Bernheim, Garrett, & Maki, 2001). Programs that are offered in the workplace, which generally focus on retirement planning, have also been successful at improving saving practices (Bernheim & Garrett, 1996; Garman, Kim, Kratzer, Brunson, & Joo, 1999). Other programs that focus solely on particular financial topics such as homeownership counseling (Hirad & Zorn, 2001) or utilizing IDA programs (Schreiner, Clancy, & Sherraden, 2002) or credit counseling (DeVaney, Gorham, Bechman, & Haldeman, 1996) have also been shown to be effective interventions for boosting financial literacy.

However, these traditional models of delivering financial education often remain inaccessible or impractical for many segments of the low-income population. Negative schooling experiences such as dropping out of high school may limit involvement in school-based programs, and employment in low-wage, service-oriented jobs limits exposure to programs offered through the workplace (Anderson, Zhan, & Scott, 2004). In immigrant communities, perceptions of banks, mistrust of the financial system, and traditional attitudes about money management represent additional barriers to recruitment, engagement, and retention efforts (Toussaint-Comeau & Rhine, 2000).

Alternative and novel approaches may be needed to reach families outside of the financial mainstream. For example, Spader, Ratcliffe, Montoya, & Skillern (2009) found that a program delivered as part of a Spanish-language soap opera, *Nuestro Barrio*, was successful at reaching Latino immigrants and raising awareness about financial issues. These scholars suggest that this approach and others using media may go a long way towards complementing traditional financial literacy programs.
The Promotora Model

The promotora model is a culturally competent approach to community outreach that centers on training community residents to serve as liaisons between organizations and the target community (Brach & Fraserirector, 2000). A promotora typically shares a similar cultural identity and speaks the same language as that of the community residents (Castro, Coe, & Gutierrez, 1996). Sharing a common identity is important because “a crucial task of the promotora is to educate while reinforcing the shared identity of community residents,” a job that “involves understanding and endorsing the shared traditional language, values, attitudes, and beliefs” (Harwood, 1981, as cited by Castro, Coe, & Gutierrez, 1996, p. 335).

The promotora model has been found effective in the health care sector. For example, the ‘Border Salud Strategic Initiative’ and ‘Salud Para Su Corazón Initiative’ used promotoras to educate people living on the U.S.-Mexico border about the risks of cardiovascular disease and diabetes (Ingram, Gallegos, & Elenes, 2005; Rodriguez-Saldaña, 2005). Similar initiatives have also been successful using promotoras to improve access to health care for Latinos living in rural areas (Sherrill et. al., 2005), provide prenatal education and interventions for low-income Latino women living in migrant worker communities (Meister, Warrick, de Zapin, & Wood, 1992), inform communities about pesticide safety and proper use (Forster-Cox, Mangadu, Jacquez, & Corona, 2007), and raise awareness about domestic violence against women (Kelly, Lesser, Peralez-Dieckmann, & Castilla, 2007). The success of these campaigns establishes a strong precedent for using the promotora model in financial education.

Program Background and Data Collection

The promotora model presented in this study was utilized in a financial capacity building initiative in three low-income communities in a large city in South Texas. The initiative involved four community social service organizations serving nine of the

Understanding Saving and Debt Behavior among Chinese Seniors: An Exploratory Study

Yi Cai, California State University, Northridge
Allen Martin, California State University, Northridge
Wei Cao, California State University, Northridge

Change in China is proceeding at unprecedented speed. Economic and technological developments are converging with demographic shifts to alter the world’s most populous country. A sustained low fertility rate, resulting from population control policies and social, economic, and cultural changes, has resulted in the largest older adult population in the world (Du, 2006). The population aged 65 and older in China reached 110 million in 2008 (8.3% of the total population), and it is estimated that the number will increase to 320 million by 2040 (Shanghai Research Center on Aging, 2009).

The challenges of providing care to seniors in China include a senior population growing at a rate of 3% annually, increasing demand for pensions and social security, and the reduced ability of enterprises with poor economic performance to support the system (Du, 2006). Also, the pension and social security system currently covers only 15% of the population (Yang & Li, 2009). The family provision of old-age care therefore remains critical. In fact, the majority of Chinese still consider children their best investment for retirement security (Jiang, 1994).

China is well known for its Confucian model of respect for seniors. For a long time, the family has been the primary provider of financial security and care for seniors (Sun, 2002). However, there has been wide concern about whether the social transformations will negatively affect seniors’ well-being and erode the role of the family in old-age support (Chen & Silverstein, 2000; Shanghai Research Center on Aging, 2009; Sun, 2002; Yuan, 1987). With rapid economic growth and demographic and social transformation, more and more young people are living in central cities, separated from aging parents. These seniors have
lowest income zip codes in this city. The participating organizations used a total of twenty-two promotoras over the course of two years to deliver financial education to marginalized or hard to reach families living below 200 percent of the poverty line. The target communities were predominantly Latino and African American.

Because the focus of the research was to assess the program satisfaction of participants, in-depth interviews were employed as the principal method of data collection. A total of 46 respondents participated in semi-structured individual and focus group interviews between February and June of 2009. The interviews, which were conducted at three different sites, included 26 families, 17 promotoras, and 3 community organization coordinators. With the exception of the three coordinators, all respondents were recruited for interviews using a snowball sampling technique. In the first stage of sampling, coordinators issued a notice to their promotoras to voluntarily participate in the research. In the second stage, participating promotora respondents in turn recruited program families to be interviewed. Finally, participating families encouraged other families to participate.

Three separate interview instruments were tailored to the three types of participants in the sample: promotoras, families, and coordinators. The same instrument was used in both focus groups and in-depth interviews. Often the study team planned a focus group, but only one or two participants showed up. Then the team conducted separate in-depth interviews with those participants who showed up. By the end of the study, the study team conducted a total of 5 focus groups and 33 individual interviews. The investigators transcribed the interviews and coded them for themes based on the original research questions and objectives of the program evaluation. All coding was done using the qualitative software program Atlas.ti. The data presented in this study were selected as typical examples of individuals involved in the promotora model.
Promotoras as Financial Coaches

The appropriation of the promotoras model from a health care context to a financial literacy application appears to be an innovative channel of delivery for financial education. The promotoras act as financial coaches with the aim of providing financial education and promoting positive financial planning behaviors for residents in low-income communities. Promotoras were charged with recruiting community residents in neighborhoods around each of the three program sites and maintaining a relationship with these residents over a significant period of time (usually several months). The promotoras usually met weekly with 5 to 6 families on their caseload to discuss financial issues, develop financial plans, and supply information about financial resources in the community. Although there was no set curriculum to follow, the organizations (via the promotoras) tried to establish a general road map with benchmarks for the families to meet. The relationships operated on a voluntary basis and ended either when the families felt financially stable or disengaged for personal reasons.

Themes from the Field

Raising Awareness: “I can show them that there’s (sic) other resources out there”

Resources such as food stamps, childcare assistance, and Medicaid are often underused because eligible people do not know about them or cannot get to them (Anderson, 2002). Many of the promotoras mentioned that community resources are often available, yet underused, due to lack of access or awareness. Christina, a promotora in the program for seven months at the time of the interview, made this observation: “I think there are enough resources out there….They probably don’t know that there are resources to help them get back on their feet financially and set them straight. They probably would not know about that, and the only reason is...
Conclusion

The authors found that the telephonic delivery approach to financial education is still an effective, viable educational strategy to reach low-wage individuals in rural areas. This delivery method eliminated barriers including transportation, childcare, and job-related issues that made it difficult for participation in a face-to-face training. Despite the popularity of using computer and Internet technologies in distance education courses, the simple telephonic delivery method removed the obstacles of limited availability of adequate, affordable computer and Internet access. The telephonic delivery method allowed for effective interaction among the learners, instructor, and materials. A unique contribution of this pilot program was that long-term behavior change occurred with a 6-hour educational program conducted over the telephone. Given the wide array of technology delivery options available, the authors believe that the telephone is still a valid choice for delivering education. Although some have been dismissive of the telephone, with Finger and Rotolo (2001) calling it “a second generation technology,” it is still an effective way to reach rural communities. In this case, success was found using the telephone—a simple technology—to effectively provide rural low-wage earners with financial education.

References


Burkhart-Kriesel, C., & Caine, B. (2004). From potluck suppers to on-line seminars: The evolving "face" of social interaction. - 70 -
Prepare before the course begins. It is vital to recruit participants who are committed to working on financial goals. If possible, provide incentives for participation and to increase retention. Seek participant input on program content. Encourage learners to join the call in a quiet place to minimize background noise. Also, ensure that instructors have thorough knowledge of the concepts and materials and are skilled in telephonic education.

2. Provide flexible scheduling. Identify and eliminate any barriers to participation. Offer the sessions at different times of the day and at more than one time to accommodate participants’ schedules. Schedule the series over a short period of time to increase retention. We found a 2-week series more successful than an 8-week series.

3. Supplement class time with printed materials. Enhance telephonic delivery with printed materials mailed to participants prior to the first class. Assign participants homework or assignments throughout the course. Call participants a day before each class to remind them about the class and of any homework.

4. Foster interaction among participants. Interaction among participants, the instructor, and the material must be strategically planned. Incorporate get-acquainted activities for participants to become familiar with one another and the instructor at the beginning of each call. Intentionally provide additional opportunities for participants to interact with the content, instructor, and one another.

5. Develop ground rules for the class. These rules might include the following: one person talks at a time, all participants must be respectful of other participants, and shared information must be kept confidential.

6. Ensure that participants understand the materials. Use questions and probes to evaluate participants’ understanding of course concepts. Follow up with participants outside of class time to respond to any questions or to provide clarification about the materials.
were also shared as one individual indicated she unsuccessfully tried to get her husband involved in helping manage the finances while another commented, “Budgeting is important, but I still struggle and it is hard work to live within your means.”

Table 1
Responses From a Follow-up Survey of Participants in a Telephonic Financial Education Program (n=8)

<table>
<thead>
<tr>
<th>Action</th>
<th>% participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implemented strategies to be thriftier?</td>
<td>100%</td>
</tr>
<tr>
<td>Tracked spending?</td>
<td>88%</td>
</tr>
<tr>
<td>Developed a spending plan or budget?</td>
<td>88%</td>
</tr>
<tr>
<td>Developed a method for paying bills and keeping track of receipts?</td>
<td>75%</td>
</tr>
<tr>
<td>Took steps to start, build, improve or maintain your credit?</td>
<td>63%</td>
</tr>
<tr>
<td>Took steps to avoid frauds and scams?</td>
<td>88%</td>
</tr>
<tr>
<td>Talked to others about what they learned?</td>
<td>75%</td>
</tr>
<tr>
<td>Looked up more information about the topics?</td>
<td>38%</td>
</tr>
<tr>
<td>Participated in other classes about money issues?</td>
<td>0%</td>
</tr>
<tr>
<td>Shared Money Matters materials with others?</td>
<td>88%</td>
</tr>
<tr>
<td>Recommended the program to others?</td>
<td>75%</td>
</tr>
</tbody>
</table>

Participants were asked if they had taken any action on several class concepts after participating in the program, as shown in Table 1. All of the participants (100%) indicated that they had implemented strategies to be thriftier. All but two of the actions were completed by more than 60% of the participants and often more than 80% of participants within a year of program completion. Only two actions were reportedly taken by few participants—only 38% of participants indicated they had looked up more information about topics, and no participants reported that they had participated in other classes about money issues.

Recommendations for Implementing a Telephonic Consumer Education Program

The authors suggest the following six recommendations for conducting a telephonic consumer education program:

- Participants were asked if they had taken any action on several class concepts after participating in the program, as shown in Table 1. All of the participants (100%) indicated that they had implemented strategies to be thriftier. All but two of the actions were completed by more than 60% of the participants and often more than 80% of participants within a year of program completion. Only two actions were reportedly taken by few participants—only 38% of participants indicated they had looked up more information about topics, and no participants reported that they had participated in other classes about money issues.

- Juanita’s experience is revealing because it illuminates the basic challenges that impede low-income persons from establishing financial stability, and for many people learning basic financial management skills like budgeting and saving money are the stepping-stones to a more stable financial situation. For Juanita, her initial successes were attributed to working with a knowledgeable person who cared about her financial struggles, helped her to put some basic financial planning pieces in place, and enabled her to finally “make it.”

- As individuals move beyond basic financial management practices, there are competencies that are required to ensure that resources can be successfully acquired. For George, a participant in the program, navigating the bureaucracy of financial organizations represented a special challenge. Below he notes how working with a promotora helped him to successfully manage the paperwork requirements for accessing resources and enrolling in a training course: “We go to all these places and they give me and my wife all these things to fill out, and we’re like, ‘well we don’t understand.’ I never knew there was somebody like that [promotora] to help us to fill out what we needed to fill out. We went to a lot of courses, and people would say ‘Well, here’s the paperwork.’ I mean if you don’t understand what you’re filling out, then you get stuck....you need somebody that knows what’s going on.”

- George’s comments suggest that a knowledgeable person can serve an important role in helping families develop the competencies necessary to further their financial planning, such as opening bank accounts, enrolling in community-based programs, and accessing resources.
The experiences presented above suggest that a promotora model may be an effective approach to help families develop financial planning skills and habits. Because promotoras are not restricted by specific goals or objectives, they can provide financial education that is flexible and tailored to the needs of their families.

Building Relationships: “It’s important that someone’s out there caring”

Social networks are an important resource of financial information for low-income individuals (Chang, 2005). Moreover, the development of trusting relationships in social networks can create stronger social ties, which people can use to obtain a range of information (Putnam, 2000). A promotora model seems to promote social capital, trust, and ultimately access to resources. In the following comments Christina underscores the point that the relationships are indispensable for successful outcomes: “If they don’t see that we’re trying to help them, they’re going to be a little unresponsive, and they will say ‘well, you know what, they’re not helping me, I don’t see the need.’ If you get them going, if you’re a constant part of their life, that’s important. It’s important that someone’s out there caring...then you get a better response.”

Christina’s comments suggest that a trusting relationship can be important for some people who otherwise are suspicious of mainstream financial literacy programs because they are perceived as too formal or bureaucratic. Her comments also suggest that people might be receptive to information when it comes from someone with whom they share a common background and cultural identity.

Vivian, a promotora, suggested that her role with the family extended beyond just ‘doing a job.’ She notes below that: “I don’t only go to the families to do my job, but I get involved with them. I like to see their changes, to congratulate them and support them, to motivate them and push them. And for sure, we have all become friends...You start becoming involved with them and there has to be a certain tuning so that completed either of the trainings (N=21). Northern Connections staff made contact with 8 of the 21 participants. Staff indicated they were not able to connect with the other individuals due to disconnected telephones, health issues, and messages not being returned.

Seventy-five percent of those contacted in the follow-up phone call indicated that they participated in the program because they had a desire to learn more, including how to save, budget, obtain a credit report, and stretch existing resources (n=6). Participants overwhelmingly (100%) indicated they liked participating using the telephone. Convenience was a common response. One individual indicated she didn’t have a car so she appreciated being able to participate from home. Two individuals indicated they appreciated participating from home due to the need to care for children. Two more participants identified a few distractions during the sessions, including others reprimanding children, occasional disruptive background noise, and the sound of someone doing dishes. All of the participants indicated that the number of sessions, timing, and length of calls were acceptable and did not need to change.

When asked about the packet of materials mailed prior to the first call, all participants responded positively. One individual indicated, “They were more than I expected” while another indicated, “They were cool.” Three individuals shared that they had reviewed the materials prior to the classes to prepare themselves. Two additional participants stated they planned to go back to the materials as needed.

Participants were asked what important lessons they took away from the calls. Thirty-eight percent of the participants indicated that ‘everything’ was valuable (n=3). One individual commented that the course “made me more aware of my money situation. I started to ask myself important questions about my money situation.” The majority of the participants shared an example of how they had used the information they had learned, including reviewing a credit report, making a decision not to get a credit card, keeping track of expenses, and trying to stay on top of bills. Frustrations
second time, staff targeted those who wanted to participate and who were committed to working on financial goals.

Feedback during the Calls
Feedback during the calls was also utilized as an evaluation tool and was noted by instructors while the class was in session. For example, during the conversation on saving money, almost all participants identified at least one area in which they could cut expenses and realized that those savings over time could offset other expenses.

Post-workshop Evaluation
A post-workshop evaluation was mailed to participants who had completed either of the two trainings (N=21). Evaluations were returned by 24% of the participants (n=5). All respondents rated the financial training sessions useful, the training manual and telephonic method very useful, the amount of information just right, and the times of day convenient. Sixty percent indicated they made some or a lot of changes as a result of the training - mostly related to how they were spending money and identifying ways to save money. Learners shared: “I gained knowledge of credit card laws,” “I quit spending money on things that I shouldn’t buy,” and “I’m now able to save money better than before.”

Participants identified several positive program outcomes. The anonymous nature of the calls allowed them to share life experiences that may not have been shared in person. The flexible class times allowed individuals with changing work schedules to participate or make up a missed call. The telephonic delivery method eliminated transportation, travel time, and child care concerns. One participant indicated on the post-workshop evaluation, “Due to the cost of gas and my health conditions, I wouldn’t have been able to participate in a face-to-face training.”

Follow-up Phone Survey
A follow-up phone interview was conducted 10 to 12 months after the telephonic program with participants who had they will be able to respond and I will be able to ask...I do feel like a partner, not just a worker trying to do a job.”

Program participants also testified to the importance of developing a trust with their promotoras. In a conversation with Mr. Howard, a program participant, he expressed the importance of feeling comfortable with his promotora. He stated that: “[It’s] definitely less intimidating. You know who (sic) you’re talking to; you’re dealing with someone you know and associate with. Because if you get the person, that’s there in the neighborhood, to explain what they’re doing, come across with clear and concise manner, that’s what he did. We sat on the porch and talked about things. I never sit on the porch. He asked me what I wanted for my family and that kind of thing. And you wouldn’t do that with just anybody. If you walked into the office downtown and someone says, ‘What do you want for your family?’ You wouldn’t be as open as you would with somebody, who’s literally become part of the family.”

Mr. Howard’s experience suggests that he was more willing to discuss personal financial matters with someone he viewed as a peer. His comments also suggest that the peer-to-peer approach at the center of a promotora model may be an effective approach to break down distrust and discomfort often times associated with the formality and bureaucracy of institutions.

Empowering Financial Planning: “I never thought I was going to do that”
Putting decision-making in the hands of the participants can foster a greater degree of responsibility for positive program outcomes. For many low-income families, marginalization, negative life experiences, and low self-confidence become impediments to making sound financial decisions. Negative experiences managing money can also lead to feelings of disempowerment and learned helplessness. The promotora model of financial education may help people overcome their feeling of disempowerment. Juanita again reveals that the relationship with her promotora empowered her to not only “just make it” but also keep going and accomplish goals she never thought were possible.
She notes that: "I would say that the companionship that I have there and the support of knowing that I can do it...it makes me feel that I can do it. It boosts my confidence more. I usually say, 'Thanks, I don't know what I would have done if you had not been here.' I really need that confidence sometimes, because there are times I say that I don't think I am going to make it. I never thought I was going to do that. People can say, 'Hey, she's a single mom with four kids, would you ever say that she would be able to make it?'." Juanita’s comments suggest that personal empowerment was one of the first steps in the direction of positive behavior change.

In a similar conversation with Dora, a program participant, she shared about how her promotora provided the encouragement to keep going toward her financial goals: “Sometimes I am so tired and worn out, and then she comes to ask how I am doing. I tell her that I am frustrated, but she tells me that I am actually doing all right. She reminds me of where I came from. Sometimes she is like a counselor. It helps me because I leave the meeting saying, 'I am actually doing it'."

For these participants, an ongoing relationship with someone who cared about their situation, provided emotional support and offered financial coaching was what they needed to get over the emotional hurdles and get their lives on the right track.

Conclusions

The experiences described by participants in this exploratory study suggest that the promotora model represents an alternative and novel approach to delivering financial education in low-income communities. This model has three main advantages that may serve to complement existing traditional financial literacy programs. First, the promotora model is flexible and can be tailored to the financial needs of families. Second, the ongoing relationship with a promotora helps families to stick to financial resolutions and sustain them over time. Promotoras are a source of accountability on the path towards meeting financial goals. Third, families trust promotoras because they reside in the same communities and share similar cultural backgrounds. Promotoras

Program Outcomes

The program participants mirrored Northern Connections typical customer base. Of those completing one of the two rounds of training, 86% were female and 14% male. Forty-four percent were age 21-30; 24% were age 31-40; 24% were age 41-50; and 8% were age 51-70.

To collect impact data, a multi-method evaluation was used, which included participation rates, feedback during the calls, a mailed post-workshop evaluation, and a 10-12 month follow-up phone survey. Roberts, Irani, Telg and Lundy (2005) recommend that to evaluate the distinctive elements of distance education, the evaluation tool should assess the educators, the usefulness of the program, and the technical components of the distance education program.

Participation Rates

Twenty-one individuals were recruited for the initial training. Of these, 1/3 completed the required six hours (n=7), 1/3 dropped out due to unforeseen events (start of a new job, health reasons, etc.) (n=7) and 1/3 dropped out for unknown reasons (n=7). For the second training, 20 individuals were recruited. Of this group, 70% completed the required six hours (n=14) and 30% participated in only one or no sessions (n=6). Thus, in total, 21 individuals completed either the first training (n=7) or the second training (n=14). Retention improved for the second training due to fewer sessions over a shorter time frame, the greater eagerness of the participants to learn about personal finance, and better recruitment efforts. The first time, staff targeted those they thought would benefit from the training. The
**Program Interaction**

Classes were taught by Northern Connections staff with assistance from an Extension Educator. The number of participants per call varied. The instructors noted that four to five participants was ideal for interaction. Participants introduced themselves by first name at the beginning of each call to get acquainted. The instructor introduced the day’s topic and directed participants to the appropriate materials in their manuals. Participants discovered and practiced financial concepts using interactive exercises and games. Due to the confidential nature of some topics, participants appreciated being able to complete some exercises privately, such as a spending plan.

In normal day-to-day interaction, Northern Connections staff members encourage problem solving, coach customers, and provide resources telephonically. Staff members have learned to be focused listeners and are attuned to verbal cues of participants such as tone of voice, pauses and hesitations. This allowed them to probe and question as needed to ensure participants grasped concepts.

Staff intentionally provided opportunities during the calls for participants to interact with the content and one another. Discussions on the calls were lively and participatory. For example, during a discussion on cutting expenses, one individual expressed surprise about how much she spent on energy drinks and committed to buying fewer drinks. Another individual expressed similar sentiments about eating lunch out, while another discussed money spent on cigarettes. Many learners shared difficulties they had encountered and offered suggestions of how they handled the situations. Two individuals told of their experiences as victims of identity theft. Another individual shared her experience with using expensive payday loans.

**Learning Environment**

Staff encouraged participants who had children at home to engage the children in a quiet activity, such as reading a book, to minimize distractions. Most participants were able to use the are trusted intermediaries between families and traditional organizations.

Organizations considering the implementation of a promotora model must take into account the unique circumstances of the communities they serve, as well as the program goals and objectives they seek to accomplish.

In the program presented in this research, promotoras received a monthly stipend of $500 for a caseload of an average of 5 to 6 families. Although promotoras did not operate on a fixed schedule and were not required to log working hours, monthly trainings and team meetings were obligatory. Most promotoras had other employment and viewed their position in the program as a type of paid volunteer work for their community.

Although the study shows that the use of promotoras is a promising approach, there are drawbacks that warrant brief attention. First, promotora turnover and participant disengagement from the program were two recurring issues, which might be addressed through effective strategies for recruitment and retention. Second, some promotoras felt inadequately trained to address the financial issues presented by their families. Comprehensive initial and ongoing training would better prepare promotoras for their work. Third, many of the program participants (families) had basic needs that extended beyond the explicit focus of financial education. This issue might be addressed through a flexible financial curriculum that can serve to focus on the objectives and desired outcomes of the promotora model.

Finally, this study relied heavily on qualitative research methods. Given the research objectives of the original program evaluation, the use of in-depth interviewing and focus groups was appropriate and justified. Future research on peer-to-peer models of delivering financial education should use quantitative approaches to capture program outputs. Research that is able to assess measurable outcomes in keeping with promotora program objectives is needed to evaluate the efficacy of such a model and establish best practices.
called a toll-free conference line to join the class, eliminating personal long distance phone charges. An unlimited number of individuals could be on the conferencing line at one time. The teleconferencing cost for a 90-minute class with five participants and one instructor was less than $25, which was relatively low compared to providing gas vouchers for participants to drive to a centrally located class. Staff promoted the class and recruited participants during normally scheduled calls with customers. In lieu of paying for childcare or gas vouchers, a $50 cash incentive was offered for completion of at least six hours of course work. Due to funding requirements, a minimum of 15 participants were recruited for each round of training. This purposive sample was representative of Northern Connection’s customer base.

Program Delivery
A blended delivery method was used as the telephonic approach, which was enhanced by print materials. Resources were compiled in a 3-ring binder with handouts, worksheets, activities, calculator, pencils, and novelty items. The manual, class schedule, and call-in information were mailed to participants by U.S. Mail prior to the first class with delivery confirmation. Staff called participants the day before each class to remind them of the class and of any homework.

Two rounds of classes were held. In the first round, one topic was covered for an hour each week for eight weeks, for a total of eight hours. Participants could participate in the morning session one week and the evening session the following week depending on their schedules. Based on participant feedback and retention rates, it was determined that eight weeks was too long. Participation was interrupted by many life events including getting or changing a job, a shift in work hours, or a family illness. For the second round of classes, the curriculum was modified so the eight topics were delivered in four 1½ hour sessions over a 2-week time period, for a total of six hours of instruction. The shorter time commitment made recruitment easier and increased the completion rate due to the occurrence of fewer life events.

References


Program Sources of Knowledge

Prior to designing the program, Northern Connections staff asked over 30 customers about their interest in a telephonic class and what problems they foresaw in participating. Input was also requested on preferred topics, length of calls, time of day, and days of week. Based on input, knowledge of clientele, and staff content knowledge, the curriculum was developed around eight topics: (1) Decision Making & Money Choices, (2) Savings & Spending Plans, (3) The ABC’s of Credit, (4) Using Credit Wisely, (5) Checking & Savings Accounts, (6) Paychecks & Tax Credits, (7) Avoiding Frauds & Scams, and (8) Investing in Yourself.

Program Design for Successful Implementation

Several factors were considered when designing the program. Transportation was an issue because many low-wage families lacked reliable vehicles, auto insurance, or gas money to attend classes in person. Due to the rural area, convening participants in a central physical location would have required up to two hours travel time for some participants. Availability and affordability of childcare was another common barrier to attending classes.

Determining what time of day to schedule the class was another consideration. Many low-wage earners worked in entry-level jobs and had a different schedule each week, or hours that varied from day to day. Customers indicated late morning or evening classes were best. For customers with varied work schedules, the flexibility of being able to participate in an evening class one day and a morning class another was important.

Trainers considered webinars as a delivery method, but estimated that less than 10% of Northern Connections’ customers had a working computer and Internet access. To facilitate the telephonic delivery method, the agency contracted with a telephone conferencing service provider. Class participants preferred small group sizes of approximately 20 to 25 participants.


many tools available to facilitate this interaction, such as whiteboards, chats, blogs, wikis, and social networking applications (Beldarrain, 2006). Instructors of low-tech programs need to purposely and creatively seek opportunities to encourage communication and sharing.

The fifth component of the model is the learning environment, because distractions and interruptions can make learning more difficult (Moore & Kearsley, 2005). It is important to recognize that the five components of the systems model are interconnected.

Unique Partnership

The state Council on Economic Education and the Extension Center for Family Development initiated the Community Educator Program in 2005 to empower individuals and families with the financial knowledge they need to survive and thrive. The program trained staff of grassroots agencies, who had access to underserved populations. After an initial 2-day training in financial management content and educational methods, the community agencies applied for funding to co-sponsor two 6-hour financial education courses. Extension professionals mentored community agency staff on teaching skills and content knowledge. In 2009, Northern Connections, a non-profit human service agency serving 12 rural counties in a Midwestern state, partnered with Extension. Northern Connections provides unique access to underserved populations by telephonically connecting low-wage families to resources in order to achieve financial independence.

The Money Matters

Telephonic Financial Education Program

The “Money Matters” pilot telephonic financial education program was developed as a result of the Community Educator Program. The program is discussed below in terms of the five components of the systems model for distance education: sources,