

Own Your Money

Anyone in the credit union industry knows about the importance of helping our members make the right financial decisions at each stage of their lives in order to achieve overall financial stability and well-being. But how can we help them to better understand financial information so that they can make sound financial decisions?

Even with the vast amount of information available in this technological age, financial literacy in this country continues to be very low. A 2016 Financial Capabilities Study by the FINRA Investor Education Foundation found that nearly two-thirds of Americans could not pass a basic financial literacy test, a number that is down from 2009 when the study was first conducted.

To deal with this ongoing issue, SECU, Maryland's largest credit union with over 240,000 members, recently launched a free, interactive financial education program – Own Your Money -- designed to help both members and other consumers build their financial knowledge and manage their money effectively.

Own Your Money consists of short, on-demand learning modules that cover a wide range of financial topics. These modules are interactive, which helps to keep users interested and entertained. They include video, animation, and interactive digital tools to better educate consumers about topics that, for many, are confusing and may be viewed as dull or boring. The modules also don't have to be completed in any specific order. Consumers can simply choose to take the topics that interest them at any time.

Joseli Wright, SVP of Retail Banking for SECU, notes that the genesis of Own Your Money came from SECU's own work with college students. "We saw the need for better financial education tools when we were



running a financial literacy program on a local college campus," Wright explains. "Students didn't have a basic understanding of things as simple as balancing their checking accounts. They weren't prepared for the financial decisions they were going to have to make once they graduated from college, like applying for a mortgage or setting up a retirement account."

Own Your Money was born to help fill this gap. SECU partnered with third party content-provider EverFi, which developed the Own Your Money modules. EverFi is one of the nation's leading education technology companies and develops training for all ages.

While the content is housed on the EverFi portal, the site has SECU branding and is accessed through links on the SECU consumer website. This allows for a seamless customer experience as users go from the SECU site to the Own Your Money learning modules. While the modules are free, consumers do need to register in order to access the content.

With more than 20 financial topics included in the Own Your Money modules, there is content available for every stage in a person's financial life. Topics are broken down into three major content areas: Money Basics; Credit & Borrowing; and Planning & Saving.

Money Basics

The Money Basics modules are designed to provide consumers with the very basics of money management. Aimed primarily at individuals who are just starting out in their financial lives or may be starting over, these modules help consumers to build a strong financial foundation which – in turn -- can help lead to a more secure financial future. Specific topics include:

- Checking Accounts
- Overdraft
- Savings
- Taxes
- Budgeting
- Prepaid Cards
- Identity Protection
- Mobile Payments

Credit and Borrowing

According to a report released by the Financial Reserve, Americans had more than \$1.005 trillion in outstanding revolving credit (think credit cards) as of September 2017. They also held \$2.782 trillion in non-

revolving credit (such as loans and mortgages). While there are clearly needs and positive benefits for credit and borrowing, those of us in the credit union industry recognize how very easy it is for things to spiral out of control for consumers, especially if they are faced with an unforeseen crisis. Given the issues that potentially could arise for consumers, the topics in this section are designed to educate consumers about every aspect of credit and borrowing. Learning at least the basics of credit will help our members to make more informed decisions and to avoid common pitfalls. Specific topics in this section include:

- Auto Loans
- Considering Home Ownership
- Credit Cards
- Mortgages
- Payday Loans
- Credit Scores and Reports

Planning & Saving

Finally, as those of us in the credit union space are seeing credit increasing, we also well know that the U.S. savings rate is dropping. In September 2017, Americans had a personal savings rate of just 5.4%. That is down from 12.9% in 1970. Consumers are relying more on credit than savings to get them through the hard times. To address these issues, the Own Your Money modules in this section are aimed not only at helping people understand the benefits of saving, but also at educating them with respect to how they can begin to start saving for all of life's events. Specific topics here include:

- Building Emergency Savings
- Estate Planning
- Financing Higher Education
- Investments
- Insurance
- Retirement 101
- When to Collect Social Security
- 529 Plans

CA CUMMINS ALLISON

**Increase branch traffic,
enhance member loyalty
with self-service coin.**

> LEARN MORE NOW!

All of these modules are short, and can typically be completed in about 20 minutes. They are also offered in English and Spanish, and can be accessed by everyone including learners with disabilities. People can take the modules on any device, which helps them fit learning into their busy schedules.

According to Wright, “We wanted to develop something that people could do quickly, but that offered real value. With Own Your Money, people can educate themselves on topics that are important to them without disrupting their day-to-day schedules. They learn on their time.”

Own Your Money is also helping SECU to reach a wider audience. SECU has a long history of supporting financial literacy programs in its communities through on-site events at local high schools, universities, and businesses. These activities are limited, however, by space, time, and audience. The need for financial literacy training spans all walks of life. With Own Your Money, SECU is able to deliver free financial literacy education to anyone with a computer and 20 minutes to spare.

Moreover, consumers do not need to be a SECU member to take any of the Own Your Money modules. “We want to help people achieve financial security and make smart choices, regardless of where they choose to do their banking,” says Wright.

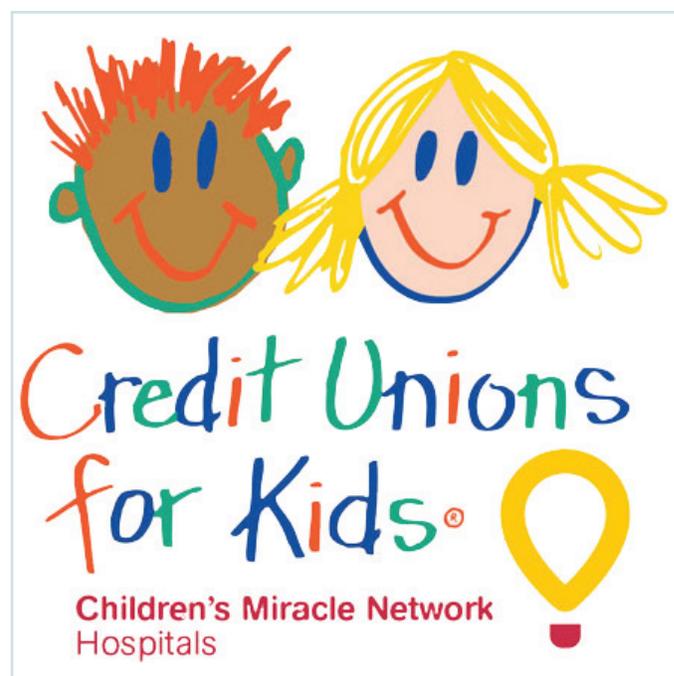
All of this has helped to turn Own Your Money into an excellent marketing tool for SECU. While the training modules are free to anyone, SECU offers additional financial counseling services through Accel Members Financial Counseling to their current members.

Wright explains, “The Own Your Money modules are available to everyone, but if people have further questions or are looking for advice on budgeting, debt management, and credit concerns, they can speak to the counselors at Accel if they are current SECU members.”

The information about Accel can be found next to the Own Your Money modules, which supports member acquisition on a small scale. SECU can also capture the registration information from the Own Your Money log-in screen to market to prospective members. While SECU didn’t launch Own Your Money as an acquisition tool, it has already proven to be very effective in educating consumers about the benefits of credit unions and the services they offer. There is even a module that explains the differences between credit unions and traditional banks.

SECU, in fact, believes so strongly in financial literacy and the Own Your Money modules that it is requiring all of its nearly 500 employees to complete 15 of the modules as part of their 2017 annual training requirements. The remaining modules will be assigned next year.

While the program only recently launched, SECU is looking ahead to expanding the program in 2018. It is also planning to incorporate the learning modules into financial literacy programs at area high schools.



“Right now, we run programs at local high schools where we do financial exercises, such as walking students through applying for an auto loan. We plan to incorporate these digital training modules as a way to enhance these hands-on lessons,” says Wright.

SECU also plans to monitor which modules are the most popular, and develop additional literacy programs that focus on those areas. They will also work with EverFi to add new content areas to keep the information fresh and current.

Because of the partnership with EverFi, the set-up for Own Your Money was relatively simple and involved branding the EverFi portal and creating the informational pages on the SECU website with links to the Own Your Money portal. SECU’s focus now is to drive consumers to the modules and get people on the path to financial stability through education. Because

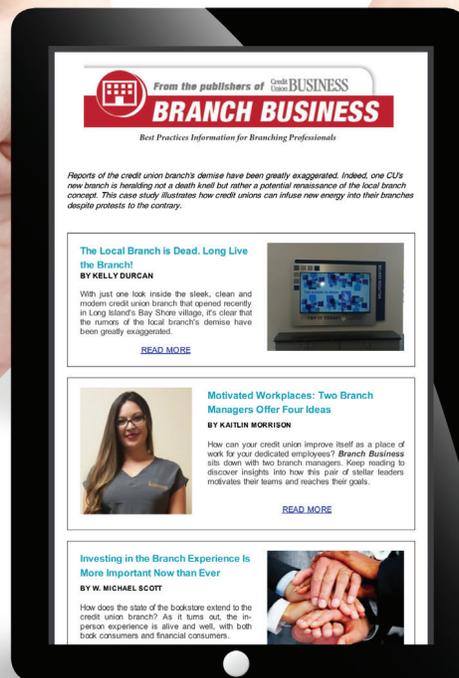
this is so much a part of what credit unions are all about, other credit unions throughout the country may find it helpful – to both their members and their marketing efforts – to create similar programs.

Kevin Stehl joined SECU two years ago as the Vice President of Product, Marketing, and Digital. He is overseeing the organization’s transformation to digital products and services to better serve SECU’s members. Under his leadership, SECU will launch a new online and mobile banking platform in Q12018.

Founded in Baltimore in 1951, SECU is Maryland’s largest credit union. It is headquartered in Linthicum, MD and has branches across the state. For more information about SECU and the Own Your Money program, visit www.secumd.org

Only \$75 per year, per credit union branch.

SUBSCRIBE



Credit Union **BUSINESS**
THE ONLY ALL-DIGITAL, ALL-BUSINESS MAGAZINE FOR CREDIT UNIONS