

## Working Families Success Network of North Texas: An Overview of its Creation and Implementation

November 2016

### MOVING WORKING FAMILIES TOWARD FINANCIAL INDEPENDENCE

is a goal of Communities Foundation of Texas (CFT). In 2014, the organization invested its community impact funds to develop an initiative for the Dallas-Fort Worth area called the Working Families Success Network of North Texas (WFSNT). The initiative is part of a national movement of funders and organizations that have adapted the Working Families Success (WFS) model, based on the Center for Working Families work first developed by the Annie E. Casey Foundation. It has been implemented nationally in more than 100 institutions and two dozen states through a network of nonprofit agencies, community colleges, foundations and local governments.

#### Introduction

The WFS model (below) provides a framework for delivering key services and financial supports to low-income families using an integrated approach specifically designed to make it easier for the families to obtain critically needed supports. The model is built on the premise that offering integrated services in an intentional and thoughtful way helps clients overcome barriers and advance economically.

The model includes a “bundled” set of three core elements: employment services, income support and financial coaching. It is not a stand-alone program, but an approach that is integrated into a nonprofit’s existing programs, staffing structure and client base. Services are

bundled and sequenced and require agencies to intentionally integrate the key areas in a seamless way for each client. One-on-one coaching is provided as an integral component of service delivery and is used to help clients set goals, develop plans and change behavior over time, requiring agencies to develop strong, long-term relationships with clients.

CFT embarked on a multiyear, multipronged strategy of grantmaking, capacity-building and partner engagement to create an infrastructure to support local agencies as they implemented the model. Two years into CFT’s investment, nine agencies are implementing the strategy through the support of a facilitated learning network.

CFT made the decision to pilot this approach locally based on national research that shows workforce and job placement strategies are not enough to lift families toward economic security. Analyses conducted by the two largest WFS networks — the New York-based Local Initiative Support Corporation (LISC) and SparkPoint, a network of 12 centers in the Bay Area — show that this approach makes a significant difference in the financial stability and success of clients. This is particularly true for those who use the full bundle of services that includes workforce assistance, financial coaching and access to benefits and work supports.

LISC research, based on 40,000 participants at its nearly 70 WFS centers, found that those who spent the most time on all three services had the highest job placement rates and the highest job retention rates — a 74% place-

### THE WORKING FAMILIES SUCCESS MODEL

#### EMPLOYMENT SERVICES

Skill assessment, job training, certification programs, job search/placement assistance and retention support



#### INCOME SUPPORT

Benefit screening/application assistance, temporary financial assistance, housing assistance, tax prep and food/clothing support



#### FINANCIAL COACHING

Financial education, counseling, access to financial services, support on improving credit and savings/asset building programs



ment rate and a 78% six-month job retention rate. Further, clients who received both financial coaching and employment services had a much higher net income increase than those receiving only financial or income support counseling. At LISC's Financial Opportunities Centers — service centers that help low to moderate income people build smart financial habits — group members who had two or more meetings with the financial and employment counselors earned and worked more than comparison group members.

In addition, rigorous research of LISC's work that was supported by the federal Social Innovation Fund found that WFS participants were much more likely than a comparison group to become steady workers; be employed in all 12 months in the second year after program enrollment; demonstrate positive credit report activities; and eliminate non-asset related debt. Furthermore, engagement across the bundle of services led to increased annual earnings and prime credit scores.

SparkPoint, which is supported by United Way, also demonstrated strong results for its clients. In 2015, SparkPoint reported that “on average clients who have been with SparkPoint consistently for two or more years increased their monthly income by \$807, improved their credit score by 39 points and decreased their debt by \$10,586.”

### Operating Principles and Key Decisions

While the WFS model provides a clear framework related to bundling and outcomes, CFT understood that each agency's implementation needed to fit its unique population and program focus. According to Sarah Cotton Nelson, CFT's chief philanthropy officer, WFSNT was designed with the belief that by “providing a flexible and supportive space for agencies and staff, the ‘right’ learning and actions would follow.” CFT organized the expertise and learning, building from the LISC and United Way networks, and enabled other funders and agencies to plug in based on their own timeframes and priorities. Furthermore, CFT viewed itself as a learner along with the network agencies, committed to using experience and data to shape decisions.

While going through the initial selection process, CFT recognized that there were two types of agencies among applicants for the program who would benefit from participation. Thus, CFT created two groups, called the green and blue cohorts. The green cohort was made up of 10 agencies that already had the capacity to implement the WFS model within 12 to 18 months. It began the process to fully implement the WFS model in 2014. The blue co-

hort was made up of eight agencies, all of which had related strengths, but were not ready to fully bundle workforce, income support and asset building. The blue cohort received targeted supports related to expanding and growing their financial capability services.

CFT made a number of other critical decisions that shaped the roll out the WFSNT effort. It created a pre-implementation phase to provide agencies with step-by-step planning activities and opportunities to learn from experienced experts and agencies from across the country. Topics during this phase included: exploring the model in depth; projecting and developing client flow processes;

#### KEY DECISIONS TO SUPPORT WFSNT

- Created two groups based on the unique strengths of the applicants.
- Developed a multiyear strategy.
- Incorporated a pre-implementation phase.
- Embraced financial coaching as critical ingredient for agencies to master.
- Allowed each agency to use its own database system and contracted with an external organization to pull it together into common reports.
- Allowed each agency to enter implementation when ready.

understanding how to manage organizational change; setting targets and milestones; and strategies for engaging clients. The pre-implementation phase also offered agencies opportunities for staff training and action.

CFT also invested in training frontline staff in financial coaching. While most WFS networks around the country have trained their financial education staff, WFSNT embraced the coaching training by training several layers of staff and making it the primary methodology for interactions with clients and promoting organizational change.

CFT structured learning activities with the agencies to encourage them to test assumptions related to clients, bundling and recruitment strategies before developing full implementation plans.

CFT also recognized the unique qualities and capacities of each agency in the network and developed a flexible approach with respect to requirements and timing. For example, agencies were not required to adopt a common database system. Instead, CFT worked with the agencies to adopt common measures based on the national WFS model and contracted with Measuring Success, an exter-

nal evaluation organization, to create a unified data collection and reporting system to support the learning within organizations and across the network. Measuring Success provides on-going data quality and improvement services and analytic support. "Moving to the WFS model required the agencies to change how they were delivering these key services, and as a result, you don't want to lead major organizational change with technology," said Wende Burton, community philanthropy director, responsible for the WFS implementation. "We knew this was going to be a big lift for the WFS agencies, and we wanted the focus to be on getting the bundling and services right, and not try to impose a new, large-scale client management technology solution at the same time."

## Stages of Creation and Implementation

### ***Stage I: Conceptualizing and Designing***

Because WFS requires the breaking down of silos within an agency and the re-imagining of client flow and long-term client outcomes, most agencies spent a great deal of time in a reconceptualization phase. One agency described the "dark days of planning and drawing client flows and strategies on the wall" until it made sense. Several individuals described how a site visit to a Houston-based WFS network provided an aha moment for understanding what WFS would look like in their agencies. "The Houston visit was like seeing ourselves in the future," said Celena Fanning, workforce services coordinator for The Women's Center of Tarrant County.

### ***Stage II: Recruiting and Enrolling***

No matter how good the design, enrollment brings new challenges and provides a reality check to all of the preparatory work. "I expected people to knock down our doors to participate, light bulbs going off knowing they needed this," said Liz Galloway, of Metrocrest Services. But things happened a bit differently. Initial recruitment challenged many of the agencies as they struggled to figure out how to screen clients for "readiness" into a set of services that require more of a long-term commitment than the traditional, transactional services such as applying for emergency assistance or participating in job placement services. Underlying in the WFS model is the understanding that achieving financial security requires a long-term effort on the part of the agency and the client, and that participation in multiple services, along with a coaching approach to client engagement leads to better results. As many agencies said "some clients are just not ready yet and that is ok." Several agencies responded to the challenge of "readiness" by having several paths to receiving services with one shared orientation. Clients not interested or ready for WFS engagement at initial entry may be referred to a food pantry, connected to emer-

gency assistance or receive other job readiness supports.

### ***Stage III: Predicting and Managing Client Flow***

During the first year of implementing WFS, agencies were challenged to accurately predict how many clients would flow into, stay engaged in, and continue with coaching relationships. Some agencies described that they have held orientations where only a few people attended and at other times, they needed to increase the number of orientation session to accommodate demand. Agencies were also wary of creating long periods of time in between orientations and program enrollment with the likelihood that potential clients would lose their initial enthusiasm and drift away. Staff at agencies that tightened the "readiness" criteria expressed a renewed excitement in WFS because it enabled them to spend more time with clients who are committed to improving their financial lives, and less time tracking people down and trying to re-engage them in activities where they may not be ready to make that commitment.

## Implementation and Results

Since 2014, the selected agencies have received significant program guidance and training from CFT and formed a learning cohort - not only to support each other, but also to share best practices and key lessons that can be used to expand the implementation of this model in North Texas. The selected agencies made a commitment to participate in the learning cohort and collect and report on a base set of common outcomes and metrics.

CFT encouraged the agencies to develop their initial implementation plans and apply for the technical assistance grants when they were ready instead of creating an artificial cohort start date. As a result, agencies moved to implementation throughout 2015, collecting and reporting data once they were "live." The first agency began implementing the pilot in April of 2015, and the other eight organizations entered at various points through June 2016.

As of June 2016, 2,400 clients have enrolled in WFSNT services, having completed baseline assessments that examined their earnings, household income, savings and debt. Clients are mostly female (68%), African American (46%) or White (35%), and single (53%) with their highest level of education being a high school diploma or general equivalency diploma. Most clients are renters. The majority of participants have received at least two of the three types of supports (26% received two and 61% all three), a high percentage as compared to other WFS agencies across the country.

After one year of implementation, the results suggest that clients who participate in the full bundle of WFS supports are doing better than those who received only one or two services. Consider:

- On average, clients who received the full bundle increased their savings by \$211 for a total of \$413.
- On average, all enrollees increased savings by \$135.
- Individuals with \$0 at baseline are earning on average of more than \$14/hour.
- Credit scores are increasing for clients receiving the full bundle, though they are still below prime (521 to 557).

CFT also looked at financial capability measures from baseline to most recent check-in for clients who received bundled services (at least two service types).

- At baseline, 37% reported they were not confident they could achieve a financial goal they set for themselves. At the most recent check-in, that percentage went down to 31%.
- At baseline, 32% of participants reported they were very confident they could achieve a financial goal. This percentage increased to 41% at the most recent check-in.
- At baseline, 13% reported they had emergency savings that would cover three months of expenses; at check-in, 20% reported they had that level of savings.

## Lessons Learned

### ***Lesson One: The approach works for many clients.***

In a recent meeting of the network, the agencies shared successes, including: a senior citizen who received help getting social security payments and is now able to establish credit, create savings, and manage her money in a way she never did before; a mother with young children who, for the first time, owns her financial decisions in a way that allows her to take action; a single dad with young children who lost a job during the recession, but participated in occupational training, found a new job to support his family, and has regained his confidence.

WFS agencies serve a wide range of clients, including clients who are immigrants and refugees. One organization told the story of a mother from Zimbabwe who came in burdened with anxiety and stress about her ability to take care of her middle school-aged children. After enrolling in WFS, she became a nursing assistant, developed a credit history, opened two matched savings accounts and is attending community college — modeling the power of education and strong financial behavior for her children.

## SUCCESS STORY

### **Client exchanges fear for a financial plan**

Jonathon\* was in a tough situation when he enrolled in The Women's Center of Tarrant County's integrated services partnership program with Family Pathfinders of Tarrant County in October 2015. He was unemployed, his credit history was thin and he had neither a bank checking nor savings account. When he enrolled in the program, Jonathon said he wanted to get a job with higher pay than his previous employment and improve his credit score. To build a plan toward these goals, Jonathon worked with a Pathfinders financial coach and entered skills training for information technology (IT) security.

Through work with his financial coach, Jonathon set more specific goals to open checking and savings accounts, create and maintain a budget, establish credit and repay his child support debt. His coach helped him with strategies to realize these goals, which included entering into an agreement with the state to settle the child support debt, safeguarding money saved through budgeting and getting a credit card to establish reportable credit activity.

Although Jonathon had a plan, he had some fears about it. For one, he was hesitant to open any type of bank account, because he was afraid the state would garnish his earnings for the child support once he became employed again. His financial coach suggested he ask the state if the agreement would include any type of wage garnishment and encouraged him to move forward with his other goals.

In a follow up conversation, Jonathon told his coach that he learned the state would not garnish his earnings. At this point, he was working 36 hours a week at a warehouse earning \$11.50 per hour while also attending IT training. By their next meeting, Jonathon had successfully opened checking and savings accounts and his bank approved him for a credit card, which would help him improve his credit.

Five months after enrolling in the program, Jonathon completed IT security skills training and planned to start a new job at an IT helpdesk with earning a wage that would give the income he needed to reduce his debt. His credit score improved by 58 points.

*\*To protect the client's identity, we have used a first name only.*



***Lesson Two: It's important to anticipate the evolution of challenges and responses.***

The WFS model is deceptively easy to understand; it is intuitive that the combination of employment, work support and financial capability strategies bundled together make for a powerful strategy for helping people to move toward financial security. The agencies found, however, that the details matter in creating a fully operational model and that it was much more than creating a new program within their overall organization.

***Lesson Three: The model leads to a lot of change, which can be uncomfortable for everyone involved.***

As the nine agencies implementing WFS all have diverse staffs and clients and since each began at different levels of readiness — which meant implementation planning took time to complete — some agencies experienced leadership as well as key staff transitions during the planning and early implementation stages. WFS challenged agencies at three levels to think about how to effectively manage the changes and challenges of moving to the WFS model. All agencies strongly supported frontline staff to make the transition from case management to coaching. At both levels, it required a change in mindset. Agencies also began to have daily or weekly team meetings to discuss individual clients and share lessons and stories, breaking down organizational silos.

Early on, CFT anticipated the challenges of change that the WFS model brings to an agency and introduced the participants to Lillie Brock and the Change Cycle, an approach that recognizes the human reaction to change and provides a way to talk about it and manage expectations about how an agency will experience it. The agencies felt that the Change Cycle helped them talk about what was happening within their agencies and provided a common language for it. “The Change Cycle [chart] is up on my wall right now,” said John Machado, director of financial stability and career services for Catholic Charities of Dallas. “It is reassuring to know that what our agency is experiencing in introducing WFS is to be expected.”

Although senior and mid level staff bought into the principles of WFS, the implications of adopting and implementing were not truly understood until implementation began. Several agencies saw their mission as serving everyone with whatever emergency and job placement services their clients needed and the transition to assessing clients to determine who would get more intensive supports and coaching, as well as perhaps limiting the supports available to clients not yet ready for WFS, created discomfort and tension within these agencies. The move to WFS meant agencies had to help senior leadership,

staff and board leadership understand how WFS fully supported the organization's mission even if at times fewer people are being served.

Frontline staff experienced a significant shift in how they were expected to work with clients. “WFS really challenged me to check my own assumptions about clients and to stay open,” said Liza Galloway, a case worker and coach for Metrocrest Services. The shift to coaching excited some staff and they appreciated the opportunity for training and a new way of working with their clients. However, several managers were a little surprised at how challenging it was for other staff to make the transition to coaching and noted that they eventually decided to leave.

A few of the larger agencies described efforts to connect the WFS with other areas within their agencies in order to better serve clients through referrals and to streamline data collection. These agencies are working to integrate WFS into their existing structures instead of creating a new stand-alone program. In light of that principle, one agency fully shifted the WFS services into their workforce department. Another agency also acknowledged that other departments, particularly at the beginning, expressed some skepticism and concerns that WFS was the “shiny new thing” in their organization. Over time, however WFS is looked at as an organizational resource.

***Lesson Four: A network is powerful.***

The agencies all recognized the importance and value of the network, including the monthly meetings, for contributing to the success of their individual WFS efforts. “Participating in the network supported us in learning from national experts and helping our own process of continuous learning,” said Kimberly Williams, chief executive officer for Interfaith Family Services. Specifically, they identified the training that occurs within sessions, the opportunities to share among each other and a spirit of support. Importantly, the agencies worked together to create a common outcomes framework. “While we always knew the promise of creating a regional network, we supported and enabled the relationships to grow organically,” Nelson said. The agencies now have a deep understanding of the work of their peer organizations, share community information, make referrals to each other, and identify as part of a network. One executive director noted that when he needed assistance for a participant that his organization could not provide, he now simply called the executive director of another network agency to get the help for that client. The WFS network has become a foundational and powerful structure to support the implementation of the approach in the Dallas-Fort Worth region. “With the backing of CFT, we have

created a generous and non-competitive environment in which we support each other, making it less scary,” said Kassidy Birdsong, program manager for financial empowerment for CitySquare.

### Thinking Ahead

Within a short time period, CFT and its grantees have come along way in operationalizing the WFS approach in Dallas-Fort Worth and there is more to come. CFT is working to deepen and expand the regional WFS in two ways. First, CFT continues to invest in WFS infrastructure to sustain and build local capacity. In order to support this growing field, as well as to ensure continued quality of service, CFT approached fellow funders on the concept for investing in the development of a local solution. Six funders have joined together to fund a local nonprofit who will provide the initial training, but also on-going support and professional development to existing coaches. It is anticipated that training will be offered in 2017 for new coaches.

The network continues to grow stronger and is increasingly driven by the stated interests and needs of the implementing agencies. In the coming year, the agencies have asked for more attention to asset building, best practices related to accessing benefits, and using data to tell their stories. Additionally, several agencies are exploring family-focused strategies to engage both clients and their children at the same time.

Based on the national data and early results in Dallas-Fort Worth, CFT plans to expand WFS to include additional agencies as a way to promote this approach as the “the normal way of doing business.” CFT will continue to look at the data to determine services gaps in geographic areas and populations.

Examining the first year of data suggests that WFS supporters explore ways to reach more men, the re-entry population and Latinos. WFS also provides an opportunity to make room for other funders to plug in based upon interests in specific locations or populations. The Dallas Women’s Foundation, for example has supported The Women’s Center of Tarrant County’s efforts to use WFS as a vehicle to lift women and their children out of poverty. The WFS infrastructure creates an easy access point for other funders interested in supporting financial stability and success for low-income populations. “This was a great opportunity for us to support a nationally proven model without having to build it all on our own,” said Lauren Blitzer, economic security initiative director for the Dallas Women’s Foundation.

## SUCCESS STORY

### Commitment and coaching lead to dental assistant credentials

Sarah\* came to The Women’s Center of Tarrant County in May 2016. She was working part-time as a barista at the time. A few years earlier, just as Sarah and her family were planning to move into a new home, Sarah’s father left the family and took the family’s income and savings – including Sarah’s college fund – with him. This set the family back financially and was emotionally devastating for Sarah and her close-knit brood, which included her diabetic mother whose medical needs required constant monitoring and two uncles, both of whom are blind and one of whom was undergoing cancer treatments when Sarah came to the center. Sarah often drove her uncle to his treatment appointments at a hospital that was a long distance from their home.

After coming to the center, Sarah passed the Test of Adult Basic Education (TABE) with a score that allowed her entrance into the career skills training program. She also completed a career planning session. In addition, the Women’s Center resource coach connected Sarah and her family to resources to help them get costly home repairs completed, including foundation and roof work. In the meantime, Sarah completed the job search workshops and the group financial coaching sessions with Family Pathfinders of Tarrant County. She told her Pathfinders financial coach that most immediate financial goals were to save money to help her family members meet their needs and to complete training to procure employment in an industry that would ensure a stable income. Sarah also wanted to buy a dependable car.

In October 2016, Sarah was still working with her financial coach to learn to manage the money she anticipates earning and to build her credit. She has continued to put money aside for the future, including her tax returns and birthday cash. The coach also helped Sarah learn to balance her personal and family responsibilities. Sarah completed her dental assistant’s training at Weatherford College, earning top grades, and was awarded her credentialing.

Sarah has demonstrated a commitment to doing whatever is necessary to become financially secure.

*\*To protect the client’s identity, we have used a first name only.*