



**Innovation to Spark Youth
Economic Mobility**

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Overview

1. MyPath (formerly Mission SF) Overview
2. Why Financial Capability In Workforce Settings?
3. MyPath Savings and MyPath Credit
4. Best Practices and Lessons
5. What's Next



MyPath Vision

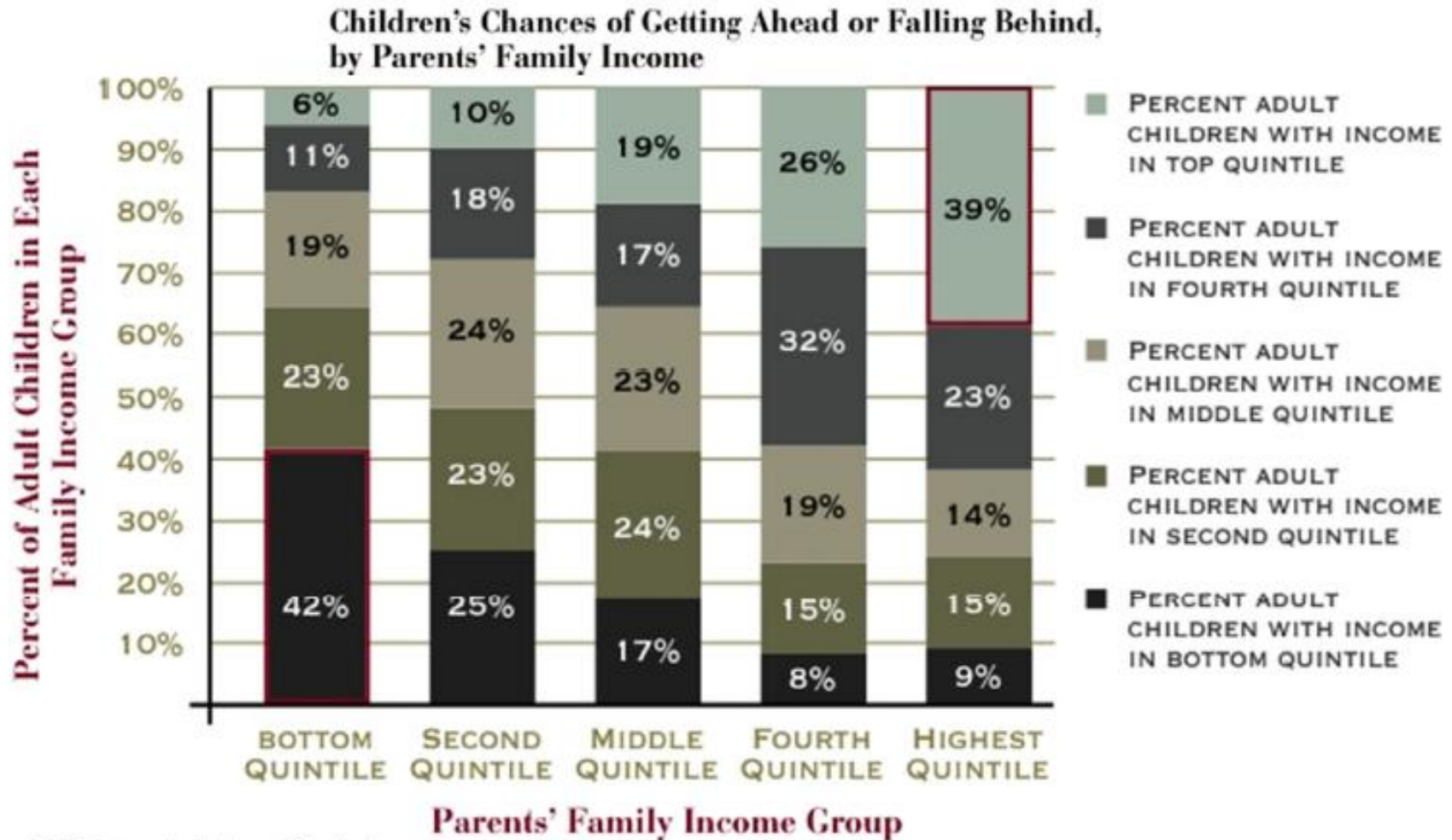
For every working low-income young person to have the chance to transform their paycheck into an economic mobility pathway that will support them in achieving their full potential.

Through strategic partnerships, we make sure youth have:

1. Access to quality financial products,
2. A working knowledge of personal finance best practices, and
3. A social support system to develop and sustain sound financial habits.
4. Opportunities to participate in program design, evaluation and advocacy efforts to improve access.

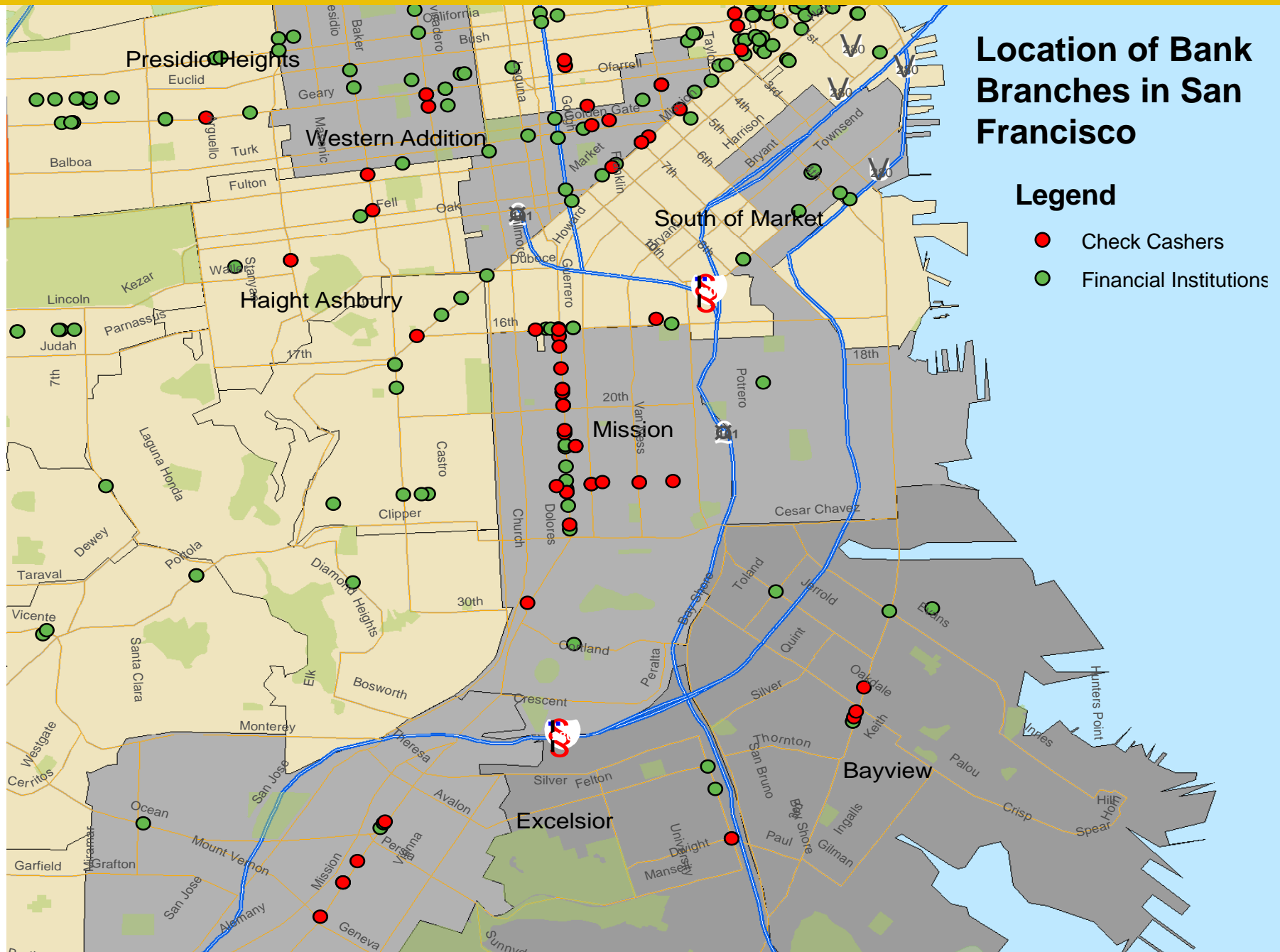


The Case: Spark Economic Mobility



Source: PSID data tabulations of family income averaged over several years and reported in 2006 dollars.

The Case: Access to Quality Financial Products



A Powerful Channel To Reach Youth

- **55% of youth ages 16-24 are in the workforce.**

(US Bureau of Labor Statistics, 2012)

- 20+ million youth are earning money, making financial capability interventions especially timely and relevant.
- No system in place to link them to financial capability, in particular to financial products, and savings and credit-building structures.

MyPath Savings: *First generation savers*

MyPath Savings engages young people in banking and saving, using their first paychecks to seed an economic mobility path.

- **MyPath Savings Account + Transactional Account**
- **MyPath Online:** 3 Behavior-focused Modules, each with 2-3 minute video and interactive activity (mobile app coming).
- **MyPath Peer Leaders:** In-person Reflection Discussions.
- **Incentives:** To set & meet MyPath Savings Goal.



my path

MyPath Savings: *Demographic Profile*

Ethnicity:

- African-American (27%), API (25%), Latino (25%).

Gender:

- Female (50%), Male (50%)

Age:

- 11th grade (31%), 12th grade (29%), Community College (9%), Not in School (9%).

Household Income:

- Less than \$34,200 (39%), From \$34,201 - \$57,000 (14%).
- More than half are from households receiving one or more forms of public assistance (56%).

MyPath Savings Outcomes

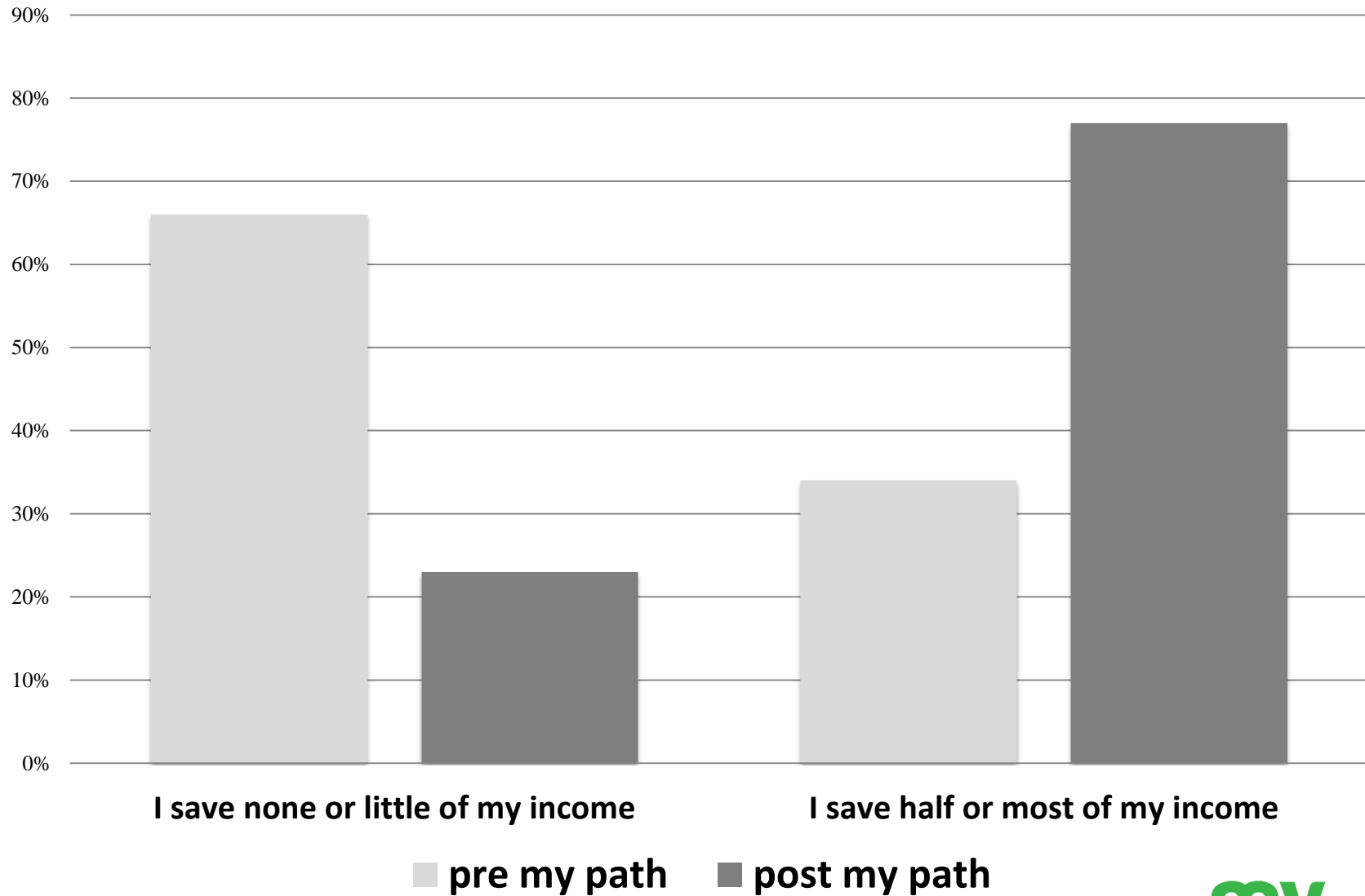
- Youth saved 17% to 45% of their income.
- 85% of youth met their MyPath Savings goal.
- Youth financial self-efficacy improved significantly— confidence in their ability to save, budget, and spend wisely.
- Youth financial attitudes improved significantly— comfort using financial institutions and feeling in control of their money.

After MyPath I am now saving for bigger things, like traveling. I am more aware of my spending, as well as my needs and wants.

-MyPath Saver



Key Outcome: Adopting Savings Behaviors



MyPath Credit: First generation credit-builders

MyPath Credit engages young adults in saving and credit-building, unlocking access to jobs, housing and quality loans.

- **MyPath Credit-Builder Loan + Savings Account**
- **MyPath Credit Workshop:** 2 hour-long sessions that cover Personal Finance, Credit, and MyPath Credit Enrollment.
- **MyPath Coaching:** Individual coaching sessions as needed.
- **Incentives:** Free credit report & score and account-opening.



MyPath Credit: Year Up Pilot Outcomes

BASELINE DATA	Total	No credit	Low credit	Good credit
Whole Year Up Cohort	80	60%	20%	20%
MyPath Credit Participants	24	46%	46%	8%

SIX MONTHS AFTER BASELINE:

- 87.5% (21) of participants saw improved credit scores.
- All of the “No Credit” students are scoring at 650+.
- “Low Credit” students are improving on average by 32 points.

MyPath Credit: Year Up Pilot



ZACHARY started with a low score. Our financial coach helped him remove three negative marks, increasing his credit score by 30 points.



BELEN started with no credit score. After making 6 credit-builder loan payments, her credit score jumped to nearly 700.

Best Practices in Program Design

- **Make It Automatic** – Use program enrollment and opt-out.
- **Make It Easy** – Use direct deposit and auto-split for goals.
- **Loss Aversion** – Incentives are key to uptake.
- **Power of the Pack** – Peer influence & social support matter.
- **Youth Leadership** – Youth engagement at every stage.

Lessons

- **Clarity** around desired outcomes is essential to good design.
- **Evaluation** is critical, both process and outcomes data to drive ongoing program improvement and measure impact.
- Use **technology in service** of your desired outcomes.
- Integration of **appropriate financial product(s)** is critical to achieving financial capability outcomes.

Integrating Financial Products

Product Barriers

Very few savings products youth under 18 can own.

Very few credit-building products in the market that are safe, affordable and youth-friendly.

Financial product enrollment processes are often slow and manual.

Product Innovations

MyPath worked with Self-Help Federal Credit Union to offer one, MyPath Savings account.

MyPath worked with Self-Help Federal Credit Union to adapt its credit-builder loan for young adults.

Online enrollment platforms, and continued research on regulatory barriers and account structures innovation are needed.

Youth Account Ownership

“I have a bank account, but it’s in my mom’s name, so I can’t even cash a check or take out money without my mom there. So it (the MyPath Savings account) was a safe place to keep my money and make a deposit or do whatever I needed.”



What's Next

- Continue MyPath Credit pilot and share its lessons.
- Bring MyPath Savings to new communities using new mobile technology strategies.
- Share MyPath Savings White Paper, highlighting the results of our quasi-experimental evaluation.



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