Using Financial Empathy to Help All Clients Achieve Financial Wellbeing and Empowerment
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Introductions

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Powering Pro Bono Financial Planning
Creating Context
Why Inclusivity Matters

Figure 1. Median earnings across the life-span by race, ethnicity, and gender. Assembled using information from the U.S. Census Projections Report (2017).
Why Inclusivity Matters

Figure 2. 2019 median weekly earnings by race, ethnicity, and gender for full-time wage and salary workers. Assembled using information from the U.S. Bureau of Labor Statistics (2019).
Why Inclusivity Matters

From the U.S. Census Bureau Population Projections through 2060

• **2020:**
  • Fewer than 50% of children born this year will be non-Hispanic White

• **2028:**
  • Largest foreign-born population as a percentage of the country since 1850

• **2030:**
  • All baby boomers are 65+ making 1 in 5 American’s a senior citizen
  • More population increase due to immigration than birthrate
  • Women control 2/3 of American wealth
Why Inclusivity Matters

- **2035:**
  - Senior citizens (65+) will outnumber children (<18) for the first time in American history
  - 1 in 5 Senior Citizens is 85+

- **2045:**
  - America becomes a Majority – Minority country
  - Fastest increasing population is multiracial
  - Immigration is the driver for population growth among Asian Americans
  - Natural birthrate drives population growth among Hispanic Americans

- **2060:**
  - 1 in 6 Americans is foreign born
  - 1 in 3 children will be non-Hispanic White
  - 50% of adults will be non-Hispanic White
“Financial wellbeing is a state of being wherein a person can fully meet current and ongoing financial obligations, can feel secure in their financial future, and is able to make choices that allow them to enjoy life” (CFPB, 2015).

Financial Wellbeing includes
1. Access – to optimal financial products and services
2. Actions – or financial behaviors
3. Affect – the way one thinks and feels about their situation
Figure 3. The Inclusive Financial Wellbeing Empowerment Model. Created by Timi Jorgensen, 2020.

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Dimension Scores of IFWEM

Mean = 6.37
Std. Dev. = 2.567
N = 29,094

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Dimension Scores of IFWEM

- Mean = 10.86
- Std. Dev. = 3.198
- N = 29,088

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Dimension Scores of IFWEM

Mean = 39.86
Std. Dev. = 11.556
N = 27,091
Hispanic American Women & Men

ACCESS_SCORE  ACTION_SCORE  AFFECT_SCORE

HISP_WOMEN: 1

HISP_MEN: 1

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Asian American Women & Men

Access Score | Action Score | Affect Score
---|---|---

Asian Women: 1

Asian Men: 1

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Start further back than you might think:

1. We can start anywhere that you want – fill me in on the situation.
2. Can you tell me more about that?
3. Tell me about your experiences with
   1. ...banking?
   2. ...job stability?
   3. ...savings?
   4. ...planning?
   5. ...retirement?
Connection through Empathy

Building the Bridge

Financial Shame Mindset - Financial Growth Mindset

Distrust - Trust
Passive Participant - Active Participant
Financially Avoidant - Financially Savvy

Financial Empathy
Connection through Empathy

“The action of understanding, being aware of, being sensitive to, and vicariously experiencing the feelings, thoughts, and experience of another of either the past, present, [or future] without having the feelings, thoughts, and experience fully communicated in an objectively explicit manner.”

-Merriam-Webster
Connection through Empathy

Intellectual

Emotional

Compassionate
Connection through Empathy

- Listen to learn.
- Learn to connect.
- Connect to act.

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