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EXECUTIVE SUMMARY

Stronger, more financially stable families mean a stronger, more financially stable community for us all.

In 2008, compelled by research pointing to the importance of family financial stability and its impact on nearly all other social issues, including education, health and community well-being, United Way of Greater Houston launched United Way THRIVE.

United Way THRIVE is a collaborative of 21 nonprofits and partners across multiple sectors that work together to support hardworking, lower-income families with children in their efforts to achieve financial stability.

In its first five years, United Way THRIVE has achieved remarkable success in establishing a path to financial stability for thousands of Houston-area families, helping them obtain employment, learn responsible financial habits and build better financial futures for themselves and their children.

Today, the vision with which United Way THRIVE was created remains its guiding tenet: make Houston an Opportunity City for all by helping hardworking, lower-income families in their efforts to achieve what every family wants: good jobs with good wages, safe and affordable housing, financial security and success for their children.

LIFTING UP HARDWORKING FAMILIES, LIFTING UP OUR COMMUNITY

Achieving self-sufficiency and financial independence not only changes a family’s situation now and for generations, but also empowers families to contribute back to their economies and communities, creating a stronger future for us all.

In Houston, one in three families lives on an annual income of $40,000 or less, while $47,000 a year is the minimum needed to cover basic expenses for a family of four. These families are living on the edge, unable or barely able to meet their expenses—and just one doctor’s visit or car problem away from crisis. They work, sometimes two or three low-paying jobs, but lack the means to better their situations.

Today’s jobs demand more skills, education and training than ever before. As our economy becomes increasingly more knowledge based, preparing individuals to fill the jobs that will keep Houston strong and competitive is critical to their achieving financial stability and to our community’s well-being.

Securing a better job is a key first step, but employment assistance alone is not enough to move a family to financial stability. United Way THRIVE’s holistic approach addresses the complex issues and overwhelming obstacles preventing families from achieving financial stability.

A UNIQUE COLLABORATIVE WITH A HOLISTIC APPROACH

United Way THRIVE has achieved such great success thanks to its collaborative network of partners, client-focused and bundled service delivery, and commitment to helping families work toward their goals and dreams. This unique combination, together with continuous quality and service improvement, sets United Way THRIVE apart in its ability to help families achieve financial stability.
From its beginning as a network of 11 nonprofit partners, United Way THRIVE has grown to include 21 nonprofit partners, plus partnerships with community colleges, financial institutions, employers, and city and state organizations, all working together to help families achieve financial stability.

Research shows that families are most successful when they receive multiple, bundled resources to help them increase income and reduce expenses so they can eliminate debt and establish savings. Not only do United Way THRIVE partners bundle resources, but many also co-locate resources at one another’s offices to make it easier for clients to access multiple resources. United Way THRIVE families that receive bundled resources to gain skills in both workforce development and good financial habits increase their annual income by an average of 20 percent.

STRATEGIES THAT LEAD TO SUCCESS

United Way THRIVE helps families achieve financial stability by focusing on three key strategies: increasing income, building savings and acquiring assets.

Increasing Income: United Way THRIVE families increase their income through education, job-readiness and vocational training, career counseling and other employment services, small business development assistance and free tax preparation.

Building Savings: Through financial education and coaching, budgeting, credit/debt counseling, homeownership counseling, credit union membership and matched savings accounts, United Way THRIVE families get the help they need to build savings for emergencies and future goals.

Acquiring Assets: United Way THRIVE helps families acquire assets through homeownership assistance, low-interest loans and affordable financial products, and matched savings accounts to be used for higher education, starting a business or buying a home.

2-1-1 TEXAS/UNITED WAY HELPLINE: THE ENTRY POINT FOR UNITED WAY THRIVE

The 2-1-1 Texas/United Way HELPLINE is a 24-hour a day, seven-day a week entry point to United Way THRIVE. With dedicated United Way THRIVE specialists on staff, one call to the 2-1-1 Texas/United Way HELPLINE helps families take that first step toward a better financial future.

THE NEXT FIVE YEARS

Among the strategies and goals laid out by United Way of Greater Houston’s strategic plan, Vision 20:20, is a commitment to making a lasting impact on the financial stability of 100,000 hardworking, lower-income families by 2020.

The next phase of United Way THRIVE will be one of deepening the collaboration and building a cross-sector network of major players in the financial stability field. Each new partner will bring an important and needed component to the network, which will continue working to find the most efficient, effective ways to move families from crisis to stability. United Way THRIVE will continue its core services, while placing even greater focus on the Houston area’s workforce development system, deepening partnerships with financial institutions, and increasing education and outreach.
EXECUTIVE SUMMARY

Since its launch in 2008, United Way THRIVE has increased the reach, capacity and success of its network, and the number of families it serves each year.

“United Way THRIVE is one of the most significant efforts I have ever been a part of. It is truly changing the trajectory of hardworking, lower-income families, helping them achieve real and lasting financial security by acquiring skills and education, obtaining better jobs, developing good financial habits and building savings—things that not only lift a family up, but also create systemic change.”

Lynne Liberato, partner, Haynes and Boone; co-chair, United Way THRIVE

• United Way THRIVE has achieved a return on investment of at least 10:1 every year.
• More than 100,000 families have taken advantage of free income tax preparation, with refunds totalling nearly $180 million over five years.
• Families engaged in building workforce and financial skills increased their income by 20 percent.
• United Way THRIVE’s external evaluators found that once a United Way THRIVE financial coaching client has a positive disposable income, they have a 50 percent chance of reaching financial stability in 12 months.
• Families who took advantage of more than one financial stability service achieved greater outcomes than those who did not.
United Way THRIVE has achieved such great success thanks to its collaborative network of partners, client-focused and bundled service delivery, and commitment to helping families work toward their goals and dreams. This unique combination, together with continuous quality and service improvement, sets United Way THRIVE apart in its ability to help families achieve financial stability.
Focus on Families’ Dreams. United Way THRIVE’s primary focus is on helping families think about, work toward and achieve their goals and dreams. United Way THRIVE families are committed to building better futures, and United Way THRIVE’s network comes together to provide the services, support and resources families need to get there. United Way THRIVE works with families to create a financial stability plan tailored to their own situation, needs and goals.

*“United Way THRIVE allows people to see that their dreams can come true.”*
United Way THRIVE partner

Collaboration. As United Way THRIVE has grown, so has the spirit of collaboration, with partners looking at families not as clients of one agency or another, but as United Way THRIVE clients. Partners make sure families get all of the services needed for financial stability, whether they are provided in-house, through another partner or through a group of partners. From its beginning as a network of 11 nonprofit partners, United Way THRIVE has grown to include 21 nonprofit partners, plus partnerships with community colleges, financial institutions, employers, and city and state organizations.

*“After five years of collaboration and implementation, United Way THRIVE has demonstrated that it works. The United Way THRIVE collaboration has a measurable and positive impact on every aspect of a family’s financial stability.”*
United Way THRIVE external evaluators

Bundled Services. Families are most successful when they receive bundled services to help them increase income (employment/workforce development) and reduce expenses so they can eliminate debt and establish savings. Bundling services eases families’ access, often eliminating barriers like time and transportation. Many United Way THRIVE partners co-locate services at one another’s offices to make it easier for families to access multiple resources. While getting a better job is a critical first step, workforce development alone is not enough to achieve financial stability. United Way THRIVE’s first five years underscore the critical importance of pairing workforce development with financial coaching.

Long-term Relationships. The longer families remain involved with United Way THRIVE, the more likely they are to achieve financial stability. United Way THRIVE utilizes an in-depth, holistic service model aimed at addressing both short-term and long-term financial stability. Research shows that workforce development efforts are most effective when they are long-term, intensive and directly related to specific jobs. Similarly, financial stability is a goal that can rarely be achieved in three to six months.

*“Families experience greater benefits when they remain engaged with United Way THRIVE for a longer period of time.”*
United Way THRIVE external evaluators

United Way THRIVE Connection. United Way THRIVE and its partners quickly discovered that many families had needs beyond United Way THRIVE’s core services. These needs include help with family, work and other relationships, issues that often slowed or stopped progress. To help families deal with difficulties and stay on track, United Way THRIVE created THRIVE Connection, a special case management and counseling service available to United Way THRIVE families.
THE PATHWAY TO FINANCIAL STABILITY AND KEY STRATEGIES

United Way THRIVE moves families along a pathway to financial stability. The pathway identifies key steps to achieving financial stability, each supported with services provided by United Way THRIVE. No matter where on the pathway they start, families benefit from access to United Way THRIVE’s resources and partners across our community, as well as United Way of Greater Houston’s entire social services network.
INCREASING INCOME

United Way THRIVE families increase their income through education, workforce development and vocational training, career counseling and other employment services, small business development assistance and free tax preparation.

**Meet Mark.** Without a skill or much education, Mark felt stuck. He was tired of living paycheck to paycheck and wanted to build a better future for his two daughters. Through United Way THRIVE, Mark enrolled in a job training program, earning his GED and core construction and welding certifications. With the education and skills he built, Mark started his career as a welder making more than double what he had been making in his previous job. “I was a man with a job,” Mark says. “Now I’m a man with a career.”

BUILDING SAVINGS

Through financial education and coaching, budgeting, credit/debt counseling, homeownership counseling, credit union membership and matched savings accounts, United Way THRIVE families get the help they need to build savings for emergencies and future goals.

“The United Way THRIVE collaboration has a measurable and positive impact on every aspect of a family’s financial stability.”

United Way THRIVE external evaluators

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THE PATHWAY TO FINANCIAL STABILITY

**Acquire assets**

**Build savings for emergencies**

**Reduce consumer debt**

**Reduce financial expenses**

**Increase income**

**Stabilize living situation**

**Secure consistent employment**

**Increase employment skills**

**Meet Daisy.** In what seemed like an instant, Daisy lost her job and became a single parent. Without any savings to fall back on, she had to do something to secure a better future for herself and her young daughter. Through United Way THRIVE, Daisy got help landing a job making nearly 40 percent more than she had been in her previous job. Daisy took advantage of financial coaching, credit counseling and help building a budget. She opened an Individual Development Account to build savings and enrolled in financial education classes to improve her credit and learn better financial habits. And with United Way’s free tax preparation, Daisy jump-started her savings—and her future.

“United Way THRIVE is changing the orientation of a family from finding and receiving social services to building their own financial skills to better obtain financial stability. It takes time for families to save enough money to acquire assets. But once families have the financial habits and the assets they need, they often won’t need help again.”

United Way THRIVE partner
**THE PATHWAY TO FINANCIAL STABILITY AND KEY STRATEGIES**

**ACQUIRING ASSETS**

United Way THRIVE helps families acquire assets through small business development, homeownership assistance, low-interest loans and matched savings accounts to be used for higher education, starting a business or buying a home.

**KEY STRATEGIES**

- **INCREASE INCOME**
  - Job Training
  - Career Coaching and Readiness
  - Free Income Tax Preparation

- **BUILD SAVINGS**
  - Financial Education and Coaching
  - Strong Financial Habits
  - Savings

- **ACQUIRE ASSETS**
  - Higher Education
  - A Home
  - A Small Business

*United Way THRIVE helps families achieve financial stability, earning sufficient income, coupled with responsible financial habits, to meet regular expenses and set aside funds for emergencies and future goals.*

**Meet Christie.** After a divorce left her a single mother of three, Christie thought her dream of homeownership was just that—a dream. Through United Way THRIVE, Christie took budgeting, credit counseling and homeownership courses. She learned about lenders, insurance, taxes and down payments. Christie enrolled in a matched savings program that provided a 2:1 match on the money she saved to buy a home, and she began socking away every bit she could. Finally, Christie was ready to buy a home for her family. “Walking through the doors and being able to tell my children that this is our house, this is where we’re going to live, I can’t even describe it,” she says. “I just feel so happy. It’s something I’ve wanted my whole life.”
United Way THRIVE takes a holistic approach to financial stability, addressing the complex issues and overwhelming obstacles preventing families from achieving financial independence. United Way THRIVE’s collaborative network means families do not just get help with one issue, but benefit from comprehensive services that address the many challenges they face.
STRENGTH IN COLLABORATION

United Way THRIVE partners are strategically selected based on their ability to help families increase income, build savings and acquire assets, and to leverage resources and work collaboratively to best help families. The strength of United Way THRIVE is in its network of partners and other organizations like community colleges, financial institutions, employers, and city and state agencies, which work together to connect and provide families with the right services to help them achieve financial stability.

As United Way THRIVE has grown, so has the spirit of collaboration, with partners looking at clients not as agency clients, but as United Way THRIVE clients. Partners increasingly began making sure families got all of the services needed for financial stability, whether they were provided in-house, through another partner or through a group of partners.

The United Way THRIVE Collaborative:

• Helps partners see the bigger picture for clients with multiple goals
• Connects partners, which has led to more bundled services for families
• Allows partners to provide more comprehensive services to meet family needs more effectively
• Holds partner meetings monthly, providing valuable education, training, networking and sharing of best practices

“United Way THRIVE partners met regularly, often multiple times per month, to discuss services, client barriers, program improvements and ways to help more families achieve financial stability. All partners looked for ways to work together to enhance services. Many partners offered services in each other’s locations and identified ways to enhance efficiency and reduce barriers.”

United Way THRIVE external evaluators

FINANCIAL OPPORTUNITY CENTERS

To further foster collaboration, and because bundling services is shown to produce better outcomes for families, United Way THRIVE, in partnership with Local Initiatives Support Corporation, established Financial Opportunity Centers (FOCs) within partner organizations. FOCs are one-stop, neighborhood-based facilities that provide bundled, wraparound services designed to help families move from “getting by” to financial stability. United Way THRIVE’s FOCs are founded on a model developed by the Annie E. Casey Foundation and backed by research showing that families that receive bundled services are three to four times more likely to achieve a major economic outcome (such as staying employed, earning a vocational certification, earning an associate’s degree or buying a car) than those receiving only one type of service.

FOCs are career and personal financial service centers that focus on the financial bottom line for low- to moderate-income individuals. This means changing people’s financial behavior in a way that encourages them to make a long-term commitment to increasing income, decreasing expenses and acquiring assets. FOCs provide families with services across three areas: employment placement and career improvement, financial education and coaching, and public benefits access. These core services are integrated together and provided to families in a bundled fashion to reinforce one another and to provide a multifaceted approach to income and wealth building.
From its beginning as a network of 11 nonprofit partners, United Way THRIVE has grown to include 21 nonprofit partners, plus partnerships with community colleges, financial institutions, employers, and city and state organizations.
United Way THRIVE, in an effort to better serve its clients and touch more families, reached beyond its network to form partnerships with community colleges, financial institutions, Workforce Solutions and other organizations. These partnerships include:

**GREATER HOUSTON PARTNERSHIP REGIONAL WORKFORCE DEVELOPMENT TASK FORCE**

United Way THRIVE has identified securing a higher-paying job as a critical first step to achieving financial stability. And one of the greatest issues facing the Houston area is a potential shortage of trained workers to fill middle skills jobs, or those that require some training beyond high school but less than a bachelor’s degree.

Of Houston’s 3.6 million jobs, 1.4 million, or nearly 40 percent, are considered middle skills jobs. According to the Greater Houston Partnership, the demand for these middle skills jobs, in industries like energy and petrochemicals, advanced manufacturing, health care, ports and maritime, and construction, will remain those most in demand for the foreseeable future. The *Harvard Business Review* corroborates regional findings, estimating that as many as 25 million, or 47 percent, of all new job openings from 2010 to 2020 will fall into the middle skills range.

Employers are concerned that the region does not have the talent it needs to fuel this expansion, especially as our workforce ages.

To ensure a skilled workforce to meet the needs of our employers, the Greater Houston Partnership Regional Workforce Development Task Force developed an action plan aimed at creating the pipeline of talent required to meet the needs of the region’s employers.

United Way of Greater Houston and United Way THRIVE will play a role in the implementation of the Greater Houston Partnership’s action plan by working with employers and training providers to standardize the curriculum and assessment of basic skills and employability.

United Way THRIVE will continue providing education, training and other employment services to help its clients fill these high-growth middle skills positions, better positioning the families it serves, and our community, for success.

“We must ensure that Houstonians have the skills and opportunities to enter the workforce and build successful careers, raise families and prosper.”

Bob Harvey, president and CEO, Greater Houston Partnership

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**2-1-1 Texas/United Way HELPLINE** is the link to help and hope in our community and, for many families, is the link to United Way THRIVE. With dedicated United Way THRIVE specialists on staff, 2-1-1 Texas/United Way HELPLINE is a 24-hour a day, seven-day a week entry point to United Way THRIVE, helping families take that first step toward a better financial future.

**Meet Lucy and Pedro.** Lucy and Pedro called the 2-1-1 Texas/United Way HELPLINE looking for resources to help them better their lives. Lucy and Pedro talked to a HELPLINE specialist about wanting to repair their credit, save for a new home and grow their small transportation company into a business that could support their family. The HELPLINE specialist referred Lucy and Pedro to United Way THRIVE. Through United Way THRIVE, the couple started working with a financial coach. They attended financial education workshops, took out a credit-builder loan to repair their credit, joined a small business support group and were approved for a micro-enterprise loan to expand their small business.

Lucy and Pedro used that loan as working capital for their business and are currently expanding, with contracts from Houston to California. They are in the process of building a new home and continue to work with their United Way THRIVE financial coach to maintain their budget, pay back their loans and plan for their future goals.
In collaboration with Workforce Solutions, United Way THRIVE developed a pilot program to enhance and integrate services by co-locating them in several communities. The co-located United Way THRIVE “connectors” provide services on-site at Workforce Solutions or host Workforce Solutions staff at partner agencies. The pilot encourages partners to leverage existing resources and integrate Workforce Solutions resources in order to strengthen their current United Way THRIVE services for families.

**THRIVE NAVIGATORS/EDUCATION COACHES AT COMMUNITY COLLEGES**

United Way THRIVE case managers collaborate with several Houston Community College campuses to expand the availability of financial stability, income support and workforce development services for the student populations at those campuses. The case managers address both short-term and long-term family financial stability. Throughout the coaching process, families work with case managers to obtain living-wage employment and financial stability through:

- Basic case management to connect with needed services, including public benefits, financial aid, job coaching and financial literacy/education
- Career coaching to help individuals identify goals and develop a plan for achieving goals
- Educating potential families on high-growth career opportunities and available training programs
- Encouragement and ongoing support to families during training
- Building relationships with employers to focus on specific occupational training programs
- Training of college staff to assist students with life-crisis resources

**FINANCIAL EDUCATION AND COACHING**

United Way THRIVE is committed to exploring ways to increase financial education and coaching. Building on a model used in Phoenix, in January 2014, more than 30 case managers from a variety of social service organizations and community colleges outside the United Way THRIVE network began learning the basics of financial coaching in order to help families become financially stable and connected to United Way THRIVE services.

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**UNITED WAY THRIVE’S COMMUNITY NETWORK**

| Community Colleges | • Houston Community College-based case managers  
| | • Vocational training at partner agencies |
| Financial Institutions | • United Way SAVE (tax time matched savings program through Promise Credit Union)  
| | • Alliance for Economic Inclusion at FDIC  
| | • Partnerships with JPMorgan Chase, Wells Fargo Bank, Bank of America and CitiBank |
| Workforce Partners | • Greater Houston Partnership Workforce Development Action Plan  
| | • Workforce Solutions  
| | • Partner agency training |
| City and State Organizations | • Texas Fair Lending Alliance  
| | • RAISE Texas Community Lenders Council  
| | • Bank on Houston |
BUILDING A COMMUNITY NETWORK

BANK ON HOUSTON

Wells Fargo and United Way of Greater Houston awarded a grant to expand Bank on Houston, a partnership of the City of Houston Controller’s Office, the Federal Deposit Insurance Corporation, the Federal Reserve Bank of Dallas-Houston Branch, the National League of Cities and numerous area financial institutions and nonprofit agencies. The grant helps further Bank on Houston’s work to assist unbanked citizens in establishing a financial relationship with a bank or credit union and helps provide financial education and counseling.

A Bank on Houston staff person works to raise awareness and integrate Bank on Houston with United Way THRIVE.

UNITED WAY SAVE

United Way THRIVE invests in Neighborhood Tax Centers to help hardworking families keep more of the money they have earned through free income tax preparation and help claiming the Earned Income Credit and Child Tax Credit, which they earn but often do not know about or pay high fees to commercial tax preparers to claim.

To help families save and build emergency savings, United Way SAVE offers Neighborhood Tax Center clients the opportunity to open a savings account with Promise Credit Union when they receive a tax refund. Families that deposit $100 to $1,000 of their tax refund in a savings account receive a 25 percent match on the savings that they leave in the account until January 15 of the following year.

In 2012 and 2013, with the support of Citi Foundation, United Way THRIVE also hired savings coaches to meet with families at the tax centers and encourage them to take advantage of United Way SAVE.

The Neighborhood Tax Centers and United Way SAVE partnership presents a great opportunity to reach and incentivize hardworking, lower-income families to save. Tax time is a key moment to reach these families because they are already thinking about their finances, they have direct interaction with a trained volunteer, and they have generally received a large lump sum of money from their tax refund.

<table>
<thead>
<tr>
<th>Families That Opened United Way SAVE Accounts</th>
<th>Amount Families Saved</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012 230</td>
<td>2012 $128,635</td>
</tr>
<tr>
<td>2013 408</td>
<td>2013 $282,944</td>
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</table>
Since 2008, United Way THRIVE has increased the reach, capacity and success of its network, and the number of families it serves each year.
YEAR ONE: MAKING IT REAL

In August 2008, with 11 partners, United Way of Greater Houston launched United Way THRIVE, providing critical financial stability services, including free tax preparation, financial education and coaching, workforce development and employment assistance, and financial products and services, like matched savings accounts and low-interest small business loans.

In Year One, the United Way THRIVE network defined family financial stability and methods for helping families achieve it:

**Family Financial Stability:** Sufficient income, coupled with responsible financial habits, to meet regular expenses and set aside funds for emergencies and future goals.

**Collaborative:** A significant working relationship between two or more agencies where at least one of the following can be demonstrated by each agency:

- Higher-quality programs
- Greater focus on comprehensive services
- Greater collective focus on family goals and dreams
- Greater efficiency of service delivery
- More families served

**Pathway to Attaining Family Financial Stability:**

- Moving from reacting to day-to-day crises to developing strategies for long-term stability; focus on generational change
- Gaining an understanding of present and future needs, and the knowledge (education), ability (employment) and habits (discipline, focus on savings) to meet those needs
- Creating and implementing a financial plan

During United Way THRIVE’s first year, it became apparent that many families had needs beyond United Way THRIVE’s core services. These needs included help with family, work and other relationships, issues that often slowed or stopped client progress. The United Way THRIVE team realized something more was needed to help families iron out difficult issues and stay on track, and created THRIVE Connection, a case management and counseling service available to United Way THRIVE families.

UNITED WAY THRIVE YEAR ONE HIGHLIGHTS:

<table>
<thead>
<tr>
<th>Service</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Families established a path to financial stability</td>
<td>21,000</td>
</tr>
<tr>
<td>Tax returns prepared, returning S21 million in refunds</td>
<td>17,000</td>
</tr>
<tr>
<td>Families received financial education and/or coaching</td>
<td>2,000</td>
</tr>
<tr>
<td>New bank accounts opened</td>
<td>800</td>
</tr>
<tr>
<td>Families repaired their credit</td>
<td>200</td>
</tr>
<tr>
<td>Individuals obtained jobs</td>
<td>530</td>
</tr>
<tr>
<td>Families purchased a home</td>
<td>46</td>
</tr>
</tbody>
</table>

YEAR TWO: COLLABORATIVE AND COMPREHENSIVE

United Way THRIVE’s second year was characterized by the growing focus on collaboration and the provision of comprehensive services. As United Way THRIVE partners worked and grew the network together, they began to view families not as clients of one agency or another, but as United Way THRIVE clients. Partners made sure families got all of the services needed for financial stability, whether they were provided in-house or through another partner. This underlying shift in the working philosophy of United Way THRIVE has been one of the keys to its success.

In its second year, the United Way THRIVE network worked to address some of the systemic barriers that inhibit the success of lower-income families, including transportation, payday lending and difficulty accessing mainstream banks and credit unions. The United Way THRIVE collaborative also learned that securing a better-paying job is a critical first step in achieving financial stability.

With these things in mind, United Way THRIVE incorporated new services:

- English as a Second Language and vocational literacy services
- Assistance with the home-buying process to ensure access to the best possible mortgage terms and a smooth closing
- Small emergency loans instead of payday loans
UNITED WAY THRIVE YEAR TWO HIGHLIGHTS

- 28,000 families established a path to financial stability
- 22,000 tax returns prepared, returning $32 million in refunds
- 2,800 families received financial education and/or coaching
- 1,900 families built savings
- 573 families joined the credit union
- 81 families purchased a home

YEAR THREE: INCREASING MEASUREMENT AND DELIVERY

After identifying a better-paying job with opportunity for advancement as key to financial stability, United Way THRIVE increased its investment in workforce development in Year Three. New investments focused on training, education and other services aimed at building the skills and knowledge to obtain higher-wage jobs. Financial Opportunity Centers offered integrated workforce development, financial coaching and benefits access in one location.

United Way THRIVE increased its investments in job training programs for positions with career growth opportunities, including green core construction and welding, health information specialist, certified nursing assistant, phlebotomist and office administration.

Investments in financial education and coaching became more individualized, helping families practice responsible financial habits, like budgeting, reducing discretionary spending and pursuing appropriate financial products.

United Way THRIVE’s third year saw enhanced evaluation put in place, with all partners collecting financial snapshots on a sample of families three times a year. These snapshots enabled the external evaluators to track the average United Way THRIVE family’s financial situation and employment. They also provided more in-depth data on client progress toward financial stability in the three main service categories: workforce development, financial education and coaching, and financial products and services.

UNITED WAY THRIVE YEAR THREE HIGHLIGHTS

- 35,000 families established a path to financial stability
- 28,100 tax returns prepared, returning $37 million in refunds
- 4,700 families received financial education and/or coaching
- 700 families took advantage of matched savings accounts
- 3,300 families increased their savings
- 2,400 families received workforce development services
- 50 families purchased a home

YEAR FOUR: WIDENING THE NET AND THE NETWORK

In its fourth year, United Way THRIVE continued to invest in financial education and coaching, financial products and services, and workforce development, with an increased focus on vocational training.

Armed with three years of experience and results, United Way THRIVE focused on aligning its workforce development investments to:

- Develop relationships with employers, workforce offices and community colleges to help place clients in living-wage jobs
- Provide individualized case management to coordinate actions
- Assist families in developing long-term career plans
- Provide short-term vocational training that allows clients to quickly gain job skills and meet current financial needs while placing them on the path to higher-paying jobs
- Train and develop soft skills to help clients get an initial job where they can start building their career

United Way THRIVE families that receive bundled services to gain skills in both workforce development and good financial habits increase their annual income by an average of 20 percent.
UNITED WAY THRIVE YEAR FOUR HIGHLIGHTS

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<thead>
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<tbody>
<tr>
<td><strong>44,000</strong></td>
<td>families established a path to financial stability</td>
</tr>
<tr>
<td><strong>31,800</strong></td>
<td>tax returns were prepared, returning $41.8 million in refunds</td>
</tr>
<tr>
<td><strong>8,900</strong></td>
<td>families received financial education and/or coaching</td>
</tr>
<tr>
<td><strong>4,700</strong></td>
<td>families received workforce development services</td>
</tr>
<tr>
<td><strong>462</strong></td>
<td>low-cost loans were provided</td>
</tr>
<tr>
<td><strong>57</strong></td>
<td>families purchased homes</td>
</tr>
<tr>
<td><strong>55</strong></td>
<td>families invested in a small business</td>
</tr>
<tr>
<td><strong>4,200</strong></td>
<td>families increased their savings</td>
</tr>
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YEAR FIVE: STEADY GROWTH AND DEEPENING PARTNERSHIPS

In its fifth year, United Way THRIVE continued its investments in workforce development, financial education and coaching, and financial products and services, adding three new vocational training partners. United Way THRIVE increased its investments in job training programs for positions with career growth opportunities, coupling these programs with other services that help families secure high-wage, high-growth jobs.

United Way THRIVE’s external evaluators found that after seven months in United Way THRIVE, and even more so after 16 months, the average United Way THRIVE family:

- Increases wages and income
- Increases disposable income, savings and assets
- Reduces public benefits and use of high-cost financial products and services

“Families experience greater benefits when they remain engaged with United Way THRIVE for a longer period of time.”

United Way THRIVE external evaluators

UNITED WAY THRIVE YEAR FIVE HIGHLIGHTS

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<tr>
<td><strong>52,000</strong></td>
<td>families established a path to financial stability</td>
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<tr>
<td><strong>37,500</strong></td>
<td>tax returns prepared, returning $48 million in refunds</td>
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<tr>
<td><strong>10,600</strong></td>
<td>families received financial education and/or coaching</td>
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<td><strong>6,900</strong></td>
<td>families received workforce development services</td>
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<tr>
<td><strong>549</strong></td>
<td>low-cost loans were provided</td>
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<tr>
<td><strong>74</strong></td>
<td>families purchased homes</td>
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<tr>
<td><strong>64</strong></td>
<td>families invested in a small business</td>
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<tr>
<td><strong>5,100</strong></td>
<td>families increased their savings</td>
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ADVOCATING FOR FAMILIES PAYS OFF

As part of our efforts to help hardworking families achieve financial stability and truly thrive, United Way of Greater Houston worked to address the cycle of debt often caused by payday and auto title loans. United Way THRIVE is a leading member of the Houston Fair Lending Alliance, which has spent years educating lawmakers on this important issue and advocating for the protection of our families.

After two years of deliberation and consideration, in December 2013, Houston’s City Council passed a city ordinance regulating payday and auto title lending within the city limits. Beginning in July 2014, Houston residents will be afforded the same protections as residents of every other major city in Texas, including:

a) The creation of a new database that catalogs all credit access businesses.

b) The loan amount cannot exceed 20 percent of the borrower’s gross monthly income for a payday loan. For an auto title loan, the amount borrowed must be the lesser of either 3 percent of the borrower’s annual income or 70 percent of the automobile retail value.

c) Loans must be paid off in a maximum of four installments, and each payment must reduce the loan principal by at least 25 percent.

d) Mandatory distribution of consumer credit counseling materials to all borrowers who seek to renew their payday or auto title loan.
Since its launch, United Way THRIVE has been carefully evaluated each year, and results, best practices and lessons learned have been studied and incorporated for continuous quality improvement.
LESSONS LEARNED

A primary need among United Way THRIVE families is to obtain higher-paying jobs. In order to move along the pathway to financial stability, families must first secure steady income that is sufficient to cover expenses.

Many clients just want a job when they come to United Way THRIVE. The key is to hold onto them after they secure the initial job. The average United Way THRIVE client’s starting wage is approximately $11/hour. Those who stayed engaged with United Way THRIVE after securing employment went on to secure another job with an increase of $2.16/hour by gaining additional skills or experience.

Families are most successful when they receive bundled services to help them increase income and reduce expenses so they can eliminate debt and establish savings.

Financial coaching is a vital part of the path to financial stability and made a major impact on progress toward goal achievement.

The average United Way THRIVE financial coaching family has savings of $6,800.

Because difficult family relationships are one of the biggest barriers to financial stability, and because clients’ support systems are one of the most important enabling factors, professional case management/counseling is vital. THRIVE Connection was established to meet this need.

OVERALL BEST PRACTICES IN MAXIMIZING FAMILY GOALS

Effective practices are a mix of operational techniques and methods for working with people. The nature of the staff-client relationship is a vital part of a family’s success. Some successful approaches are:

- **Personalize the work with families.** Families need to trust the agency and its staff, and to feel as though staff members are addressing their issues. Families respond best when the work feels tailored to them, rather than a process that everyone goes through.

- **Have a coaching mentality.** Partners with good client successes take a coaching mentality with all their work. They are genuine with families, have strong listening skills and the ability to understand a family’s needs and goals, ask challenging questions, and are non-judgmental.

- **Hold high expectations for the family.** Partners that are strict about clients’ being on time to appointments tend to have better outcomes. Being clear about expectations and helping families understand they are going to get out of the process what they put into it sets the tone for the work and shows the family that the partner has confidence in their ability to achieve.

- **Bundle services.** Families are most successful when they receive bundled services to help them increase income and reduce expenses so they can eliminate debt and establish savings. Bundling also eases the family’s access to services, often eliminating barriers like time and transportation.

Because of their hard-to-place clientele, a program serving ex-offenders has been intentional about building relationships with employers who are supportive of “second chances.” The partner seeks employers who have a need for the kinds of skills their clients have, rather than employers who have job openings but may require a different skill set. This subtle change in approach not only is successful in getting clients into jobs, but also boosts morale, as clients have fewer experiences of being rejected.

SOME SPECIFIC AREAS OF BEST PRACTICES INCLUDE:

**Workforce Development:** Research shows that programs that help connect families with potential employers and specific jobs have higher job placement rates. United Way THRIVE partners have successfully built relationships with employers by:

- **Devoting a staff member to this goal.** Successfully building relationships with employers requires understanding employer needs and establishing trust regarding the quality of candidates partners will refer. Recognizing the importance of this relationship, several partners have hired people specifically tasked with building employer relationships.
Creating opportunities for employers and clients to meet. Several partners have implemented a type of “job club,” based on research indicating that people often find jobs through people they know.

One partner hosts afternoon “eat and greet” events for clients and employers. At these events, employers are invited to talk about how to get a job at their company, what they look for in job candidates, and any currently available openings. After the employer’s presentation, clients introduce themselves and talk about their particular skills.

Combining Workforce Development and Financial Coaching: United Way THRIVE partners encourage families to receive both services at times that are appropriate to their situation by:

- **Building budgeting skills into other essential services.** Budgeting skills are the cornerstone of financial stability, so any opportunity to introduce and practice those skills is going to move a family towards financial stability. In an effort to engage workforce clients in financial coaching, several partners have made budgeting classes a requirement of their workforce programs.

Many United Way THRIVE families go to a car loan partner to purchase a car. As part of the application process, one partner requires families to attend a budgeting class and develop a budget that demonstrates their ability to pay the car note. Families report that the budgeting skills they learned in the class have been very important to maintaining a stable household.

- **Scheduling regular “check-up” meetings.** Partners that provide both financial and workforce coaches schedule regular staff coaching meetings to talk about their work with families and ensure that their efforts are integrated.

Long-term Relationships with Families: Research shows that workforce development efforts are most effective when they are long term, intensive and directly related to specific jobs. Similarly, financial stability is a goal that can rarely be achieved in a span of three to six months, and yet this is the typical time frame in which a United Way THRIVE partner works with a family.

United Way THRIVE partners keep families on the pathway to stability by:

- **Making frequent follow-up calls to families.** The most basic, and yet effective, approach is for coaches to call families every two to three months to follow up. Following up regularly enables coaches to continue supporting and encouraging families in their efforts, and helps continue personalizing the work for the family.

- **Creating reasons for families to keep coming back.** United Way THRIVE partners are creating a mentorship strategy as a means to get families to come back after they’ve secured a job. Once a client completes their eight-day job skills class, they are assigned a “Pathway to Success” coach, who works with that client to secure a job. Once the client has secured a job, another coach mentors them in the work of retaining a job. For clients who have retained a job for more than a year, partners introduce another mentor and an “Academy” designed to assist them in seeking promotions or better jobs. This “ladder of supports” has created new opportunities to engage families in the ongoing pathway to stability and increased income.

Going to Where the Clients Are: Going to where the clients are has proven to be a very successful approach and has increased the potential for scaling.

One United Way THRIVE partner demonstrated that when you uncouple your services from your office location, you can reach new constituencies. Through their collaboration with a local hospital to let coaches provide financial services to hospital staff, the partner saw a marked increase in the number of families they could reach. Recognizing the success they had with this approach, the partner is now piloting a “mobile coach” position, in which a staff person works with families one day a week at organizations that reach their target clientele, including social service and government agencies, and Head Start schools.
United Way of Greater Houston has a bold vision for the future of our community and is committed to making a lasting impact on the financial stability of 100,000 hard-working, lower-income families by 2020.
The next phase of United Way THRIVE will be one of deepening the collaboration and building a cross-sector network of major players in the financial stability field. This network will be characterized by reciprocal relationships focused on finding the most efficient, effective ways to move families from crisis to stability.

As the most fundamental need, the workforce development system in Houston must be addressed first. United Way will contribute leadership and resources to an effort led by the Greater Houston Partnership. The effort seeks to build a better workforce system, graduating students with certificates, two-year degrees and four-year degrees, who are ready to take the jobs most in demand in our region. This work will require supportive partnerships with the Greater Houston Partnership, community colleges and the Gulf Coast Workforce Board – Workforce Solutions. United Way THRIVE has paved the way for meaningful partnerships with these entities through innovative strategies and targeted investments piloted over the last two years, such as case managers in community colleges and co-location agreements with Workforce Solutions.

United Way THRIVE also will deepen partnerships with financial institutions to ensure access to safe and affordable mainstream financial services for all who need them. This year, with the help of one of our banking partners, United Way is embedding financial coaching practices into the greater community beyond United Way THRIVE via United Way of Greater Houston’s entire network of partners and affiliate agencies. With a small investment in financial coaching training, case managers at all types of organizations will be able to help families take the initial steps on the path to financial stability and get them access to the United Way THRIVE network of services and support.

Finally, United Way will continue to join with our business, social service and faith community partners to advocate for and ask our state and local leaders for reasonable regulation of industries, like payday lending, that hurt lower-income families striving for financial stability.

With these strategies in hand, in partnership with the community and bolstered by the generous support of donors, United Way of Greater Houston will deepen and broaden United Way THRIVE to make a lasting impact on the financial stability of 100,000 hardworking, lower-income Houston families by 2020.
United Way of Greater Houston is proud to lead United Way THRIVE. Our 2-1-1 Texas/United Way HELPLINE is the gateway for clients to access the robust family financial stability services made possible through United Way THRIVE’s collaborative network.

UNITED WAY THRIVE NONPROFIT PARTNERS
- Alliance for Multicultural Community Services
- Capital IDEA – Houston
- Career and Recovery Resources, Inc.
- Chinese Community Center
- Christian Community Service Center
- Covenant Community Capital
- Easter Seals of Greater Houston
- Family Services of Greater Houston
- Goodwill Industries
- Houston Area Urban League
- Literacy Advance of Houston, Inc.
- Local Initiatives Support Corporation (LISC)
- Memorial Assistance Ministries
- Neighborhood Centers Inc. – Neighborhood Tax Centers
- Neighborhood Centers Inc. – Promise Credit Union
- Northwest Assistance Ministries
- SER – Jobs for Progress
- Skills 4 Living
- Volunteers of America Texas
- Wesley Community Center, Inc.
- The WorkFaith Connection

OTHER PARTNERS
- Greater Houston Partnership
- The Gulf Coast Workforce Board – Workforce Solutions
- Houston Community College

WITH GRATITUDE
Thanks to the financial institutions that have partnered with United Way THRIVE to grow the network and increase our capacity to help families achieve financial stability:
- JPMorgan Chase
- Wells Fargo Bank
- Bank of America
- CitiBank

Thanks to Working Partner LLC for providing evaluation and quality improvement recommendations.

We also wish to thank the thousands of individuals whose generous contributions to the annual United Way Community Campaign help make United Way THRIVE possible.

United Way THRIVE’s enhanced workforce development services are possible thanks to special support from Shell Oil Company.