



FCAB Initiative  
Center for Social Development  
Brown School at Washington University  
<https://csd.wustl.edu>

## FCAB and the Role of Social Work<sup>1</sup>

### PowerPoint Notes

#### Slide 1 – FCAB and the Role of Social Work

#### Slide 2 – Module overview

- Household finances were central to social work practice during the Progressive Era (1897–1920).
- Social workers are trained to work with families experiencing difficult situations, including financial difficulties.
- Financial capability affects and is affected by physical and mental health.
- Economic conditions shape a person’s environment.
- We focus on four families to illustrate the important role social workers play in helping to improve the well-being of financially vulnerable households.

#### Slide 3 – Social work and financial well-being in historical perspective

- Historically, the social work profession focused on financial well-being.
- From the inception of the social work profession in the early 20th century, family financial well-being was a fundamental concern to practitioners (Stuart, 2013).
- In settlement houses and family agencies, practitioners guided families in managing their household finances and investigated the financial conditions of the poor (Stuart, 2016).
- Social workers and others created income support and employment social policies and organized in communities to support poor families (Cruce, 2001; Skocpol, 1995). For example, the Woman’s Club Movement—both African-American and white women’s clubs—was based on the idea that women had a moral duty and responsibility to transform social policy (Frankel & Dye, 1991; Scott, 1990).

<sup>1</sup> Notes adapted from:

*Financial Capability and Asset Building in Vulnerable Households: Theory and Practice*  
Introduction, Chapters 20, 22, and 23, by Margaret S. Sherraden, Julie Birkenmaier, and J. Michael Collins, Oxford University Press, 2018

- Social workers worked alongside home economists to improve household financial management and to advance consumer protection in public policy (Goldstein, 2012; Stuart, 2016).
- But by mid-20th century, the social work profession's focus shifted to psychosocial functioning (Specht & Courtney, 1994).
- As the 21st century approached—with rising inequality, enormous racial and ethnic wealth disparities, and rapidly increasing financialization—social workers increasingly became concerned about and interested in improving financial well-being.

#### **Slide 4 – Financial vulnerability and inequality are deepening**

- Financial vulnerability disproportionately affects families of color, whose median income and net worth are far below white families (Dettling et al., 2017; Wilson & Williams, 2019).
- The Great Recession and the COVID-19 pandemic have intensified inequality, challenging the social work discipline to engage in financial practice and economic justice.
  - During the Great Recession:
    - Median net worth among Black households dropped 53% compared to 17% among white households (Famighetti & Hamilton, 2019).
    - Between 2004 and 2017, the homeownership gap between Black and white households increased by 11% (Famighetti & Hamilton, 2019).
  - During the coronavirus outbreak:
    - Nearly half of U.S. households report “serious financial problems.”
    - By race/ethnicity, a majority of Latinos (72%), Black (60%), and Native Americans (55%) report serious financial problems compared to Asians (37%) and whites (36%) (NPR/RWJF/Harvard, 2020a; 2020b).
    - Whites are about two times *less* likely than persons of color to experience serious problems in paying down debt; making car payments; or paying for food, rent, and utilities (NPR/RWJF/Harvard, 2020b).

#### **Slide 5 – Today, finances are the top source of stress in U.S. households**

- Money and work are the most commonly mentioned personal stressors and are the top two causes of stress in U.S. families according to the 13th annual “Stress in America” survey (American Psychological Association, 2019).
- The negative effects of financial problems—including “feeling poor” or “being made to feel poor”—intensify when financial hardship continues over time and in contexts of high economic inequality (Emerson, 2009; Kahn & Pearlin, 2006; Sapolsky, 2005).

#### **Slide 6 – A renewed commitment to financial practice and economic justice**

- Social workers are renewing their commitment to financial practice and economic justice because financial well-being is central to overall well-being.
- Financial problems frequently accompany and exacerbate emotional distress, contributing to depression, anxiety, and other health problems (Deaton, 2011; Purnell, 2015; Taylor, Jenkins, & Sacker, 2009).
- Addictions and mental health disorders can magnify people's financial and health difficulties (Butterworth, Rodgers, & Windsor, 2009).

- Financial vulnerability is strongly associated with health problems (Dowd et al., 2011) and lower life expectancy (Chetty et al., 2016; Woolf et al., 2015).

### Slide 7 – Social workers confront issues of financial vulnerability every day

- Financial vulnerability frequently accompanies—or is at the heart of—issues that social workers confront every day in their work with people who experience:
  - Mental illness and substance abuse
  - Domestic violence
  - Child abuse and neglect
  - Ill health
  - Homelessness
  - Immigration
- Though social workers often lack financial knowledge, skills and confidence to help vulnerable families with their financial troubles, they can help (Huang et al., 2020).

### Slide 8 – Social Workers Bring Unique Perspectives and Skills to Financial Practice

### Slide 9 – Social workers are first and foremost focused on enhancing well-being

- Social workers abide by a *code of ethics*. It calls on social workers and the social work profession to enhance human well-being and help meet the basic human needs of all people, with particular attention to the needs and empowerment of people who are vulnerable, oppressed, and living in poverty” (National Association of Social Workers, 2020) (<https://www.socialworkers.org/About/Ethics/Code-of-Ethics/Code-of-Ethics-English>).
- Social work faculty prepare social work students for “practices that advance social, economic, and environmental justice” (Council on Social Work Education, 2015).
- The guiding principles for FCAB practice are to:
  - **Use a strengths perspective.** Practitioners view individuals, families, and communities through a positive rather than a problem lens (Saleeby, 1996), intentionally viewing people as having abilities and being capable of making change.
  - **Start where the client is.** Practitioners explore the details and nature of client issues through active listening, developing trust, and reaching a mutual understanding of problems and issues.
  - **Maintain a nonjudgmental attitude.** Practitioners understand the reality of the client’s situation, attitudes, beliefs, and actions, and offer guidance without imposing their personal values or biases.
  - **Uphold self-determination.** Practitioners encourage clients to explore options but do not pressure clients to make specific choices, interfere with their decisions, or manipulate their behavior.
  - **Exercise cultural competence and humility.** Practitioners understand the historical and contemporary experiences that influence clients, their views, and their decisions. These differences provide insight into people’s outlook and motivations, and guide professional conduct.
  - **Ensure inclusion and fairness.** Practitioners aim to include everyone. This means that financial benefits and services are available and affordable for all.

- **Promote progressive policies.** Policies that reduce inequality and promote upward mobility by having a disproportionately greater positive effect on the less well-to-do. (This is the opposite of regressive policies, which contribute to inequality by disproportionately benefiting the well-to-do.) Approaches may be through taxation, income and asset supports, consumer and worker protections, education, and health care.

### Slide 10 – Social work’s person-in-environment approach is essential to advance people’s financial well-being

- Central to financial capability and improving people’s financial well-being is social work’s person-in-environment perspective (Kondrat, 2013).
- Serious financial troubles are rooted in social structures that create financial vulnerability and poverty; they are not simply a function of individual behavior. In other words, such problems are not the “fault” of individuals.
- Social workers solve problems and improve individual behavior (e.g., sign people up for benefits, build credit), but they also tackle structural constraints and barriers in the environment (e.g., exploitation, domination, marginalization).
- Social workers work with (*micro-level* practice), improve conditions in organizations and communities (*mezzo-level* practice), and create better policies (*macro-level* practice) to advance financial capability.

### Slide 11 – Micro level

- On the micro level, social workers solve problems with individuals and families who are financially vulnerable. For example, they:
  - Counsel and provide one-on-one support. Mental health or addiction issues may impact financial resources, and vice versa.
  - Identify and connect to resources to meet basic needs (e.g., food, housing, health care).
  - Build financial understanding by educating on budgeting and credit building.
  - Help families plan for the future, such as setting financial goals and saving for retirement.
  - Address cultural barriers to using financial services through informing clients about advantages and disadvantages of different types of financial products and services.

### Slide 12 – Mezzo and macro levels

- Many social work coalitions and organizations promote policies, programs, and services that benefit financially vulnerable groups. Practitioners support these efforts even while assisting clients directly.
- *Social service organizations* provide nutrition, housing, education, counseling, and other social services to improve people’s living conditions and well-being—often assisting clients to obtain public benefits, and integrating other financial capability services.
- *Health and mental health organizations* expand client access to health benefits, and:
  - Set up health care directives and special needs trusts; and help families develop spending plans and access financial services and fair and affordable credit.

- Create programs to help people with chronic illnesses create budgets, manage money and a bank account, and build credit.
- Develop programs in community mental health centers that reduce financial insecurity by training staff to screen for financial stressors, locate financial resources, and offer financial education and counseling.
- *Community development and housing organizations* revitalize neighborhoods through affordable housing, economic development, neighborhood planning, education, and social services (Sherraden & Mason, 2013; Soifer et al., 2014).
  - They bring financial services to so-called “bank deserts” to assist families with budgeting, financial education, public benefits, and tax preparation, in addition to traditional social services (Friedline & Despard, 2016; Morgan, Pinkovsky, & Yang, 2016).
  - They partner with human and financial services organizations to offer financial counseling and financial opportunities to low-income communities.
  - They provide program and policy support for adequate housing and other programs, such as Housing and Urban Development’s Family Self-Sufficiency Program, which facilitates family savings.
- Social workers act on behalf of vulnerable groups, but they also empower groups to advocate for themselves. For example, social workers organize opportunities for vulnerable voices to speak at public hearings and to meet with government leadership. They teach and model coalition-building methods that vulnerable groups can implement themselves.

### **Slide 13 – Exercise: Examples of clients with financial challenges**

*Instructor note: Describe briefly each of these common situations*

- A survivor of intimate partner violence (IPV) has bills she can’t cover.
- A client is transitioning from prison and has absolutely no money.
- Youth emerging from foster care without money management experience.
- Immigrants who are doubled up and tripled up in housing during the COVID-19 pandemic.
- Parents of children living with disabilities who are worried about their financial future.
- Migrant farmers who run out of money during the off-season.
- Older adults with cognitive decline
- Entire communities who lack access to (beneficial) bank branches
- A couple with serious money conflicts.

*Instructor questions: Have the students run into these kinds of issues? What can a social worker do in each of these situations?*

### **Slide 14 – Exercise (continued): Some initial ideas**

*Instructor note: What other ideas do students have? Do they need additional information? Will local context make a difference? Can they think of individual and systems level interventions?*

- A survivor of IPV: Assistance to help her decide which debts to pay first. Develop community-wide financial education and savings program for survivors of IPV.
- People transitioning from prison: Help enroll them in a financial empowerment program. If such a program doesn’t exist, create one. Participate in criminal justice reform that would provide resources for transitioning.

- Foster children and youth: Open a savings account and provide financial education. Create such a program if one doesn't exist.
- Immigrants: Help them find housing. Advocate for better housing for migrant workers.
- Couple with money conflicts: Provide financial counseling/therapy.
- Parent of people living with disabilities: Help them enroll their children in ABLE Accounts. Create an informational pamphlet that would be available in all social services settings.
- Migrant farmers: Financial counseling to plan for seasonal income. Promote policies address the problems related to the off-season.
- Poor cognition, older adults: Ensure they have Social Security benefits and Medicare.
- Communities without financial services: Start a [BankOn coalition](#). Organize the community to draw attention to the problem of the digital divide (lack of internet access).

*From students' previous experiences with clients or others, what might be examples of helping people to build financial capability, either with individuals or through organizations or policy?*

### **Slide 15 – Introducing the Families**

#### **Slide 16 – Case examples: George and Yolanda**

- George Williams has a low income from his human services job, and is having trouble making ends meet. Ten years ago, he filed for bankruptcy. He wants to avoid this again at all costs. He's trying to get a college degree so he can improve his financial situation.
- Yolanda Walker is a certified nurse assistant. She gets by, but worries about her medical debt, her mother whose cognition is failing, and her daughter who is a single mom. She's exhausted, wondering if she will ever be able to retire.

#### **Slide 17 – Case examples: Jewell and Silvia & Hector**

- Jewell Murray is learning how to manage her finances after finally leaving her violent and abusive husband. She is feeling like there's so much to learn, and she worries about her young daughter who has special needs.
- Silvia Hidalgo Acevedo and Hector Contreras Espinosa want to buy a house for their multi-generational family, but a financial scam sets them back. Meanwhile, they are worried about Silvia's little sister who is in the country without legal documentation.

#### **Slide 18 – Summary of what we learned**

- The social work discipline is in a unique position and has an important role to play in building financial capability:
  - In the face of rising economic inequality, increasingly complex financial decisions, and growing recognition that financial troubles are not the "fault" of individuals, there is a groundswell of interest in building financial capability.
  - Social workers are in a good position to assume leadership roles in developing policies and delivering services aimed at helping financially vulnerable families gain a secure economic foothold.
  - In this way, social workers can build on their historical commitment to improve people's financial well-being and future opportunities.

- This is a good time for social workers to become more involved... But most need additional training and resources.
- Financial capability presents a unique opportunity for social workers to enhance their skill set in working with vulnerable populations.