

Organizing Manual

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OVERALL GOAL

The overall goal of America Saves is to increase the value that institutions and individuals, especially the financially vulnerable, place on saving and wealth-building. A stronger, more widespread saving ethic will encourage people to save and build wealth, thus greatly improving their financial health.

It is useful to see these citizens at various places on a ten mile path to saving. Those that haven't walked a mile don't understand the importance of saving, so don't save. Those at mile three are aware of this value, but don't believe they are capable of saving, so don't do so. Those at mile six see the importance of saving and think they might be able to do so, but haven't started yet. Those at mile seven have begun to save. Those at mile ten are saving as effectively as they can, which also means that they are effectively managing their money and debts.

A local campaign seeks to persuade residents to travel down this savings path, keeping in mind that people rarely move more than a mile or two at a time. Thus, convincing those at mile one that saving is valuable is as important as convincing someone else at mile six that they should start saving. Over time, as many people move down the savings path, saving will become more highly valued by all individuals and institutions in the area (and in the whole society), so it will become that much easier to do.

It is important to note that the campaign is not anti-debt. Mortgage loans are key wealth-building instruments. Installment and even credit card borrowing can offer great value. What's important is that individuals and families are saving and managing their money effectively.

GENERAL STRATEGY

The approach we use is called social marketing, described fully in the [January 1999 white paper](#), Making Saving a National Priority. Social marketing combines elements of education, marketing, and social expectation. It tries to communicate with residents:

- ? community-wide, for example, through local news coverage, radio ads, and transit posters;
- ? institutionally, for example, through employers, schools, churches, community groups, and financial institutions; and
- ? personally through relatives, friends, neighbors, and co-workers.

America Saves is particularly concerned about those Americans who are not saving adequately. These citizens tend to be those with lower incomes and less education. While most recognize the importance of saving and want to do so, they are often pessimistic about their ability to build wealth. Local campaigns must show these citizens how they are capable of saving and that they can do so effectively. The campaigns must also make available attractive savings opportunities and support their utilization.

On the other hand, the savings campaign should not become labelled as a low-income program. That will limit its reach and even its attractiveness to those with lower incomes. Even if much education and marketing is focused on those with low- or moderate-incomes, do not forget the program is for anyone, even non-savers with high incomes. It's desirable to demonstrate this by enrolling leaders of the savings campaign as savers.

Savings campaigns work most effectively when they are supported by a broad array of community institutions. The coalition provides credibility, helps mobilize resources, and broadens outreach. We believe organizing a local campaign like a United Way campaign, with leaders committing their whole organizations to the effort, offers special promise.

Still, individuals, single organizations, or small groups of organizations can organize more limited savings campaigns under the banner of America Saves. More on this option later.

BUILDING A COALITION

Who Should and Might Want to Belong

It is our belief that an effective city-wide or regional campaign can be successfully conducted only by a coalition of non-profit, business, and governmental groups. Especially important are:

- ? financial institutions which can create attractive products for small savers and have credibility with most customers on savings issues;
- ? employers who can sponsor workshops and other activities and enjoy credibility with most employees on savings issues;

- ? an agency or agencies, typically a local credit counseling service or a housing counseling agency, that advise savers; and
- ? (an) individual(s) or group(s) that will coordinate the campaign

Other groups that have shown great interest in past campaigns include:

- ? within the federal government: congressional representatives, Federal Reserve Banks, regional U.S. Department of Labor offices, and Treasury U.S. Savings Bond offices;
- ? within state/local government: the state treasurer, public housing agencies, and county or city officials;
- ? within business: Chamber of Commerce or similar business associations;
- ? within education: Junior Achievement, Cooperative Extension offices, parochial schools, and community colleges;
- ? within faith-based groups: the Catholic Diocese and groups affiliated with the National Council of Churches;
- ? within labor: individual unions or a local labor federation; and
- ? within the community: a broad array of community groups, especially those who are sponsoring IDA programs or promoting homeownership such as Habitat for Humanity.

Look for groups with an interest in promoting savings or at least great concern that lack of saving/wealth-building is a local problem. Look also at groups with low- to moderate-income members.

How to Recruit These Organizations

We suggest starting with those groups with an interest in promoting saving with whom you have a good relationship. Prepare for the meeting by learning about the group and how a savings campaign can help them achieve their organizational goals. Meet with them individually for at least one hour and leave them with materials such as the February America Saves press release, the first issue of American Saver, and a Build Wealth Not Debt brochure. Indicate that you will call them to learn about their interest in participating in the campaign. Then, a week or two later, make this call.

Once you've found enthusiastic participants, seek their assistance in making contacts. Ask them to set up appointments and accompany you on meetings.

Eventually, invite all those groups who've expressed interest to a 2-hour meeting to discuss the feasibility of a local savings campaign. Consider inviting an America Savers organizer to this meeting. At this meeting, discuss:

- ? the importance of household saving, especially among lower-income groups, to your community;
- ? the unique social marketing approach of America Saves;
- ? what local saves campaigns can look like and do at the local level;

- ? how these campaigns benefit institutions as well as individuals; and
- ? whether there is enough interest to organize a working group (or planning committee) to plan a campaign.

PLANNING THE CAMPAIGN

The coordinator or coordinators work on the campaign on a daily and weekly basis. They report to a working group that makes final decisions, preferably by consensus, about the campaign at monthly meetings. The working group also creates committees to meet particular challenges. Some of the committees should be dissolved after meeting their challenges. But you should consider permanent financial products, organizational marketing, and community-wide marketing/media committees.

Hold meetings at one conveniently located institution that is highly respected by the entire community, such as a Federal Reserve Bank. Or, consider rotating meetings from organization to organization. That will demonstrate broad organizational support and may well increase this support. We also highly recommend that working group members receive, as a monthly reminder, not only a mailing or e-mail but also a phone call.

We recommend limiting meetings to 90 minutes. Participant attention may flag after this. Provide ample opportunity for participants to discuss relevant issues, but make certain that you have identified the right issues for discussion.

The key challenges facing the working group are as follows:

- ? Prepare a mission statement. That discussion should build consensus about the purpose of the savings campaign.
- ? Set campaign goals that include savers enrolled and participants in workshops. Develop these goals by asking each working group members to estimate what they can accomplish within their own organization.
- ? Develop resources to support the planning process and the campaign rollout. More on this topic in a later section.
- ? Decide the structure of the planning process, especially, who is responsible for what.
- ? Develop services to assist savers including a brochure and poster (we can print for you), local savings products, phone number, motivational workshops, one-on-one coaching, and savings clubs. Recruit one or more organizations to supply these services.
- ? Develop additional member benefits. We believe automatic qualification for semi-annual raffles of savings products is particularly attractive.
- ? Recruit those organizations the working group believes are essential to the campaign.
- ? Plan the rollout of the campaign.

Campaigns take at least six months to plan. At the beginning of the planning period, consider setting a rollout date. But if, as you approach this date, you need more time, take it.

LESS COMPREHENSIVE ALTERNATIVES

An individual or organization can participate in America Saves without organizing a broad-based local coalition. Two organizational and one individual alternatives are described below.

One National Organization

A national or regional organization that wished to recruit its members, clients, employees, congregants as savers could work with America Saves to do so. We would help them:

- ? develop services such as a motivational workshop and one-on-one assistance,
- ? prepare a branded brochure (America Saves sponsored by x organization),
- ? provide advice and assistance as the services were offered,
- ? maintain the data-base of American Savers to which the sponsoring organization would have easy access, and
- ? mail quarterly newsletters to these savers which would report news about the initiative.

One or Several Local Organizations

One or several local organizations could sponsor their own America Saves program with our assistance. We could provide the same types of services, described above, that would be available to a national organization. The key difference is that we would not create branded materials for that group or groups. Instead, they would use generic America Saves brochures and other materials.

An Individual or Individuals

Beginning in the late fall of 2001, all Americans will have the opportunity to enroll as American Savers. However, individuals will also have the opportunity to promote America Saves among their friends, relatives, neighbors, or workplace associates. We will provide as many America Saves brochures as can be distributed and advice about how these brochures can best be used. Those who enroll will receive all the benefits of other American Savers.

DEVELOPING RESOURCES

Local or organizational savings campaigns will be most effective if they utilize volunteers and in-kind contributions from organizations whose interests are served by the campaigns. We are skeptical that any group that is attracted to America Saves primarily as a funding source can succeed. These organizations are not likely to have the passion which we believe is necessary for a social marketing campaign to motivate individuals and other groups.

Nonetheless, campaigns, especially broad-based ones, often will generate expenses that are difficult for participating organizations to cover. These costs are most likely to include overall coordination, one-on-one consultations, and advertising. Here are two possible funding sources.

- ? Local grants from community or corporate foundations.
- ? Seed grants from a grants fund maintained by America Saves.

We hope that, at some point, savings services can be sold to organizations such as employers or government agencies. But, at this time, these services are not well-enough developed or sufficiently proven to attract paying client organizations.

In addition to the possibility of these grants, America Saves provides an array of other services for free.

- ? This organizing guide.
- ? Advice via the Internet, phone, and site visits to provide advice, including fundraising.
- ? Printing of the basic brochure and possibly a poster.
- ? The quarterly American Saver newsletter to all your Savers. Mailing this if you so desire.
- ? Maintenance of your data-base of Savers. Our current concept is for local campaigns to fax or e-mail completed enrollment forms to us. We then input the data into a data-base for your campaign to which you will have easy access (eventually through a password protected site on cyberspace). While you could generate your own reports, we could do this monthly for you.
- ? Your own web-site. This web-site would be part of our larger web-site and could be easily accessed from it. But it would also have its own domain name so would be directly accessible to anyone inputting that name.
- ? Opportunity to participate in the National Forum to Promote Lower-Income Household Savings, which includes coordinators of all local savings initiatives.

DEVELOPING SERVICES

There are certain core services that almost all savings campaigns will offer.

Basic Brochure

All campaigns will utilize a basic *Build Wealth Not Debt* eight panel brochure:

- ? Panel 1 includes the title of the brochure, name of campaign (e.g., America Saves, Cleveland Saves, Kansas City Saves), and campaign icon -- the quarter which is immediately recognizable, denotes saving money, and can be the basic building block of a saving plan (i.e., saving loose change).
- ? Panels 2 and 3 describe the savings campaign in terms of purpose (assist individual and community saving), membership obligations (develop goal and simple plan) and benefits (services and other incentives such as participation in a raffle of savings products), major sponsoring organizations (to provide credibility), and ways to access the program (e.g., phone and fax numbers, e-mail and mail addresses).
- ? Panels 4, 5, and 6 present generic savings information developed by America Saves including five key savings strategies, ways to find money to save, and the miracle of interest compounding illustrated.
- ? Panel 7 supplies a tear-off enrollment form for savers which includes name, address, phone number, savings goal, savings plan, and way to mail or fax it back to you.
- ? Panel 8 contains a mailer with a return address.

We will help you develop and print this brochure.

Hotline

Potential savers and others need a phone number they can call for information, which can be called a moneyline or savers line (e.g., Cleveland Saves Moneyline). (A fax number and e-mail address are also desirable.) However, except when there is significant news coverage of your campaign, your hotline will rarely receive more than 15 or 20 calls a day. That means a supportive organization with some unused phone-answering capacity could inexpensively provide this function. But we do recommend the use of a dedicated line so that calls are answered with the name of the campaign (e.g., hello this is Cleveland Saves, how can I help you?).

We also recommend that you consider the use of a phone message/recording device so that callers can leave their name and phone number at times, such as evenings and weekends, when the hotline is not staffed. It is important, however, to try to return these recorded calls the same or next business day.

At the least, those who answer the phone should know the material on panels 2, 3, and 7 of the basic brochure. Callers who wish more detailed information about saving or their saving goal/plan should be referred to Wealth-Building Coaches. A key function of hotline staffers will be to promote the brochure as a source of information and record the names and addresses of those who wish to receive this publication by mail.

Motivational Workshops

Most non-savers want to save but believe that they are not able to do so (i.e., cannot afford to do so; don't have good savings opportunities). We believe the most effective way to overcome this pessimism is to persuade potential savers to participate in a motivational You Can Build Wealth session that runs 30 to 60 minutes. At the outset, participants receive the basic Build Wealth Not Debt brochure.

This guide includes a sample script and outline for the session. As they suggest, presenters seek to engage participants in a discussion of what wealth is, what their wealth aspirations are, and how these aspirations can be realized. Simple strategies -- such as spending less than income and saving the difference, saving regularly and automatically, taking advantage of the miracle of interest compounding -- are stressed.

Some audiences will be interested in one savings goal, such as participation in a workplace retirement program or homeownership. Presenters should discuss the benefits of this type of saving and the specific opportunities available.

After leading 20 to 40 minutes of this discussion, presenters describe the America Saves campaign and opportunity to become a saver and encourage participants to begin filling out their enrollment form. In most groups, one-quarter to one-half of these participants will do so, at least partially, and turn it in to the presenter at the end of the session. The forms are then turned over to Coaches to call the potential savers (see below).

We have found that many people are capable of being a good or outstanding workshop presenter. Volunteers are encouraged to read the script, then use the outline as the basis for their own presentation. When they have developed this presentation and have practiced it on their own, they should be given the opportunity to practice it before other presenters or Working Group members before being scheduled for regular workshops.

Try to match the strengths of presenters with their audiences. For example, those most knowledgeable about retirement programs should make these presentations. Or, Hispanics may respond more favorably to Hispanics, or African-Americans to African-Americans, though an excellent presenter can reach almost any audience.

Wealth-Building Coaching and Financial Planning

Coaches assist Savers who need help finding money to save, identifying a realistic savings goal, and/or developing a plan to achieve this goal. In Cleveland, the Coaches are consumer credit counselors who have been retrained. In Kansas City, they are retrained housing counselors. But the Coaches could also be competent lay people who are specially trained.

We have found that successful coaching is significantly different from credit counseling. Good coaches express great confidence in the ability of the Saver to build wealth and provide encouragement as well as technical assistance, remembering that Savers are there voluntarily. (Credit counselors, on the other hand, often must tell clients what to do, including tearing up credit cards.)

In Cleveland, Coaches call all those who fill out a Cleveland Saves enrollment form (panel 7 of brochure) to welcome them into the program, assist them in completing the form if this help is necessary and desired, and note future benefits such as the American Saver newsletter and upcoming raffles of savings products.

It is important for Coaches to remember that they are not qualified as financial planner or investment advisers. Although most Savers probably will not need sophisticated financial advice, those who do must be referred to a qualified adviser. In Cleveland, several dozen planners and investment advisers have offered to advise Savers pro bono over the phone. They have also offered to conduct seminars on planning or investing.

Coaches may have one additional role in Cleveland -- calling the Savers they advised three months after enrollment to learn how things are going and whether they need assistance.

Savings Clubs

Those Savers that wish continuing support (and may just want to associate with other Savers) may be attracted by a savings club, which also could be called wealth-builders. Clubs are controlled by their members. They may choose to discuss money-saving tips, savings options, or their own savings progress. They may also ask the local campaign to provide financial experts to discuss issues of interest to club members.

Most savings clubs will be made up of 5 to 15 people. They will meet monthly for 60 minutes or so, often over a meal or snack. Employees, especially those who work for a supportive organization, may find it easiest to meet at lunch. Congregants could meet after or before a church service.

A savings club is not an investment club in which members pool and invest their money. One principle of America Saves is that Savers, not anyone else, control their savings. Also, the campaign does not want to assume risks that members of a savings club might take.

Financial Products

Many Savers will already have a bank or investment account that they can use to build savings. That should not be a checking account since it will be difficult to protect any savings from expenditures.

The most basic savings account is one at a bank, thrift, or credit union. The advantages of these accounts are that they are usually easily accessible and can receive regular and automatic deposits from a checking account at the same institution. The disadvantages are that interest paid is low and that low balances are subject to monthly fees. For a Saver with less than several hundred dollars in an account, the annual difference in interest earned on this account or a CD, for example, rarely will add up to more than \$10. However, the typical \$3-6 fees assessed monthly, for not maintaining a typical minimum balance of \$200-500, add up very quickly.

In Cleveland and Kansas City, the campaign asked financial institutions to waive the fees on savings accounts for Savers. Many readily agreed to do so. Since they already waived these fees for certain customers -- such as older or young persons -- it was relatively easy to do so. Their main challenge was to inform branches of the special treatment offered Savers. A few institutions, however, waived fees only for those Savers that made monthly deposits.

Another attractive savings product is U.S. Savings Bonds. They offer relatively high interest rates, their Easy Saver program is easy to maintain, and they can be purchased for as little as \$25. There are two types of bonds available -- the traditional series EE, which currently pay a little less than 5%, and the inflation-adjusted Series I, which currently pay a little less than 6%. Some employers offer payroll deductions to purchase these 30-year bonds, which must be held for 6 months, then can be cashed in at any time (though with a 3-month interest penalty during the first 5 years).

Service Flows

There are many paths to becoming a Saver. But they all converge at the point where the Saver completes the enrollment form with their goal and plan. After that, the following takes place:

- ? Submission of enrollment form.
- ? Call from Coach to Saver to assist completion of the form or just to welcome them if their form is complete and their goal and plan is realistic.
- ? Mailing of membership materials to Saver. This includes: personalized welcome letter; membership card; list of participating financial institutions; and another

- brochure (they could pass on to a friend or relative).
- ? Creation of data-base file on Saver (by you or by American Saves).
 - ? Three-month follow-up call from Coach or someone else asking the Saver how they are doing and whether they need assistance.

MARKETING THESE SERVICES

Community-wide marketing through ads, PSAs, and distribution of posters and brochures does not by itself constitute a social marketing campaign but can be very helpful to such a campaign. This marketing familiarizes large numbers of residents with the name of the campaign and its purpose, and hopefully even sparks the interest of some.

Each community-wide marketing initiative should try to include the following information:

- ? name of campaign and logo;
- ? tagline messages such as "You can build wealth" and "Build wealth not debt";
- ? the broad nature of coalition undertaking the campaign (to help provide credibility); and
- ? the hotline number.

Other information emphasized should be drawn from the basic brochure. Here are community-wide marketing strategies that we have used.

Earned Media: Use various events -- campaign launch, 1000th Saver -- to generate coverage. Interest media in reporting on success of individual Savers.

Radio Ads: In Cleveland, it was agreed that the most productive advertising was short drivetime ads (35 words or less) carried on many radio stations.

Billboards: In many cities, bus or other transit posters are cost-effective. But in Cleveland, it was thought that half billboards would be more effective. Nearly 20 were put up in lower-income areas. The general message was "You can save."

Radio and TV PSAs: In Cleveland we plan to use several 30 second PSAs developed by the American Savings Education Council. These would be co-branded. It is also our attention to ask those radio stations who have run our ads to keep running these, or a longer variant, as public service announcements.

Poster Distribution: We have developed a basic 20/30 inch poster that includes information about the local campaign and a graph showing the power of interest compounding. These posters are being put up in public places (e.g., libraries, social service centers), community centers and churches, and place of employment.

Brochure Distribution: In Cleveland, the goal is to get the brochure described above into every low- and moderate-income household. We are doing that primarily through

institutions. But we are also offering the publication to hotline callers. And, we are distributing the brochure (sometimes with actual quarters) at community events.

Participation in a Community Fair: (information to come)

Organization-Based Marketing/Education

The most effective marketing by the campaign itself is through organizations to their members/employees/congregants. Those associated with many organizations trust these institutions. Moreover, they often spend time with the organizations. Accordingly, it is relatively easy to distribute the brochure or publicize a workshop within the institutions.

An important institution to target is the workplace. Employers who have thought about the topic recognize that employees have difficulty being productive if they are preoccupied with financial problems. If they cannot afford a car repair, they may even not show up for work. If the workplace has a 401(k), 403(b), or SEP-IRA retirement program, the motivational workshop can urge potential Savers to participate. In general, the more employees participate, the larger the tax-free contributions of senior management. This dependence is another source of potential employer interest in a local savings campaign. Brochures should be distributed, and posters should be posted. But the most effective way to recruit Savers is to have the organization publicize and promote a motivational workshop. Best of all is if this session is "on company time," that is, during a period when participants would normally be at the organization.

Other services provided the organization could be one-on-one on-site planning consultations, savings clubs, and seminars.

Critical to the success of this marketing is the presence of an On-Site Coordinator who takes charge of marketing campaign services. For an employer, that coordinator could come from the human resources area. It is important for the campaign to train, keep in touch with, and reward these coordinators.

Personal Marketing/Education

If the campaign is successful, Savers will enroll other Savers. Membership benefits like participation in a free raffle provide an excuse for the Savers to talk to others about the program.

EVALUATING THE CAMPAIGN

There are several ways to evaluate the success of the savings campaign.

- ? Number of Savers enrolled and their success saving. We recommend that these Savers be called at least once a year to find out "how you are doing and whether we can be of any assistance." That conversation should allow you to determine whether the saver is on track, trying, or given up. A phone bank of volunteers

could make these calls.

- ? Number of area residents who have had contact with the campaign -- especially the number of workshop participants and even the number of brochures distributed on request.
- ? Number of residents who say they are aware of the campaign and the number who say they have been encouraged by the campaign to save. In Cleveland, we have commissioned annual surveys of a representative sample of 500 area residents to learn about these two issues.
- ? How those working on the campaign feel about it. Do they stick with the campaign? Are they enthused about it? To what extent do they spend time on it?