



**Massachusetts Financial  
Education Collaborative**

*Building on a Wealth of Knowledge*

# **2009 Financial Institution Survey Report**

A project of Massachusetts Financial Education Collaborative

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## Executive Summary: Financial Institutions Survey

The first task of the collaborative was to conduct a survey of financial education providers and practitioners in Massachusetts. As financial institutions are an important sub-group of financial education providers the collaborative felt it was important to survey the banks and credit union of the Commonwealth. As participants in the Massachusetts Financial Education Collaborative, the Massachusetts Credit Union League and Massachusetts Bankers Association surveyed their members and captured data about their members that relates to the general “2009 Financial Educators Survey Report.” The preliminary objectives of this survey were to determine: (1) what financial education activities are being undertaken in banks and credit unions in the Commonwealth; (2) how activities and services are being delivered; (3) how a coalition can strengthen and support the work of financial institutions as current providers.

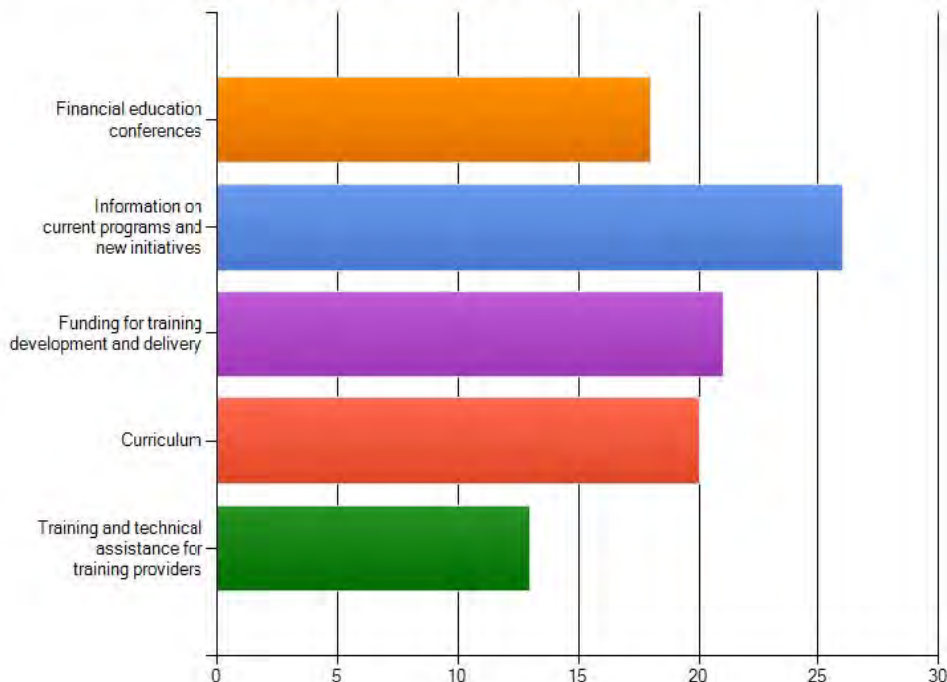
## Methodology

The language used for the survey questions was not identical to the “2009 Financial Educators Survey Report”; however, the objectives of the survey for financial institutions were the same. The Credit Union League and Massachusetts Bankers Association sent an electronic survey to their membership. The results of each group were compiled via web-based platform in order to analyze the data. In total, the response rate for financial institutions was 98, 54 out of approximately 200 banks and 44 out of approximately 200 credit unions.

## Bank Data Analysis

**Figure 1:**

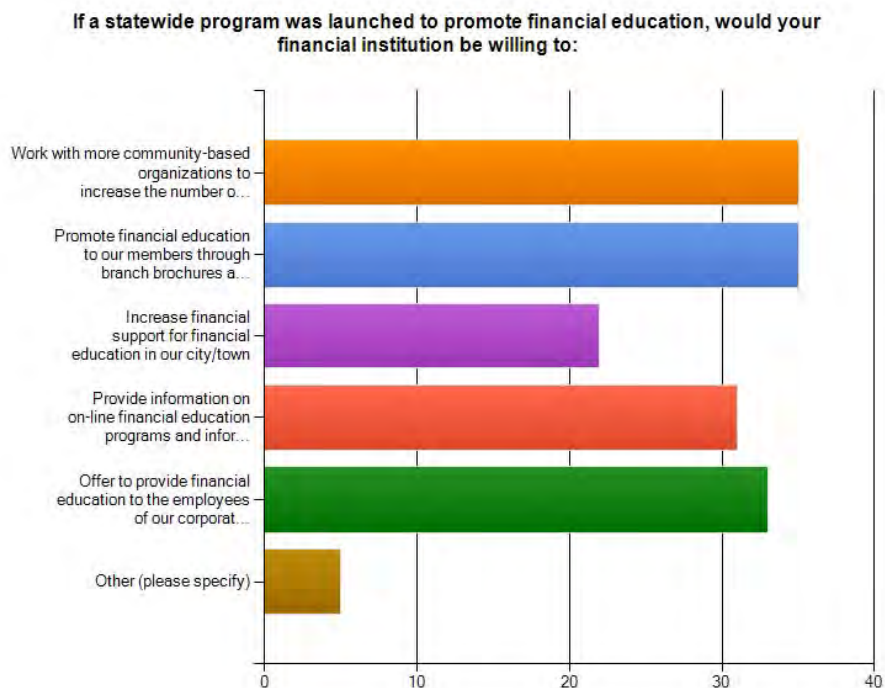
**Bank/CU: If a statewide office/association were established to help support financial education, would your financial institution utilize any of the following potential services?**



**Figure 1: Potential Services that Banks Would Utilize if a Statewide Entity Existed**

A total of 33 banks responded to how their financial institution would envision utilizing a statewide entity (with the option to select all that apply). A total of 22 banks skipped this question. The highest response rate was 78.8%, which indicated they would use this entity to acquire information on current programs and new initiatives (See Figure: 1).

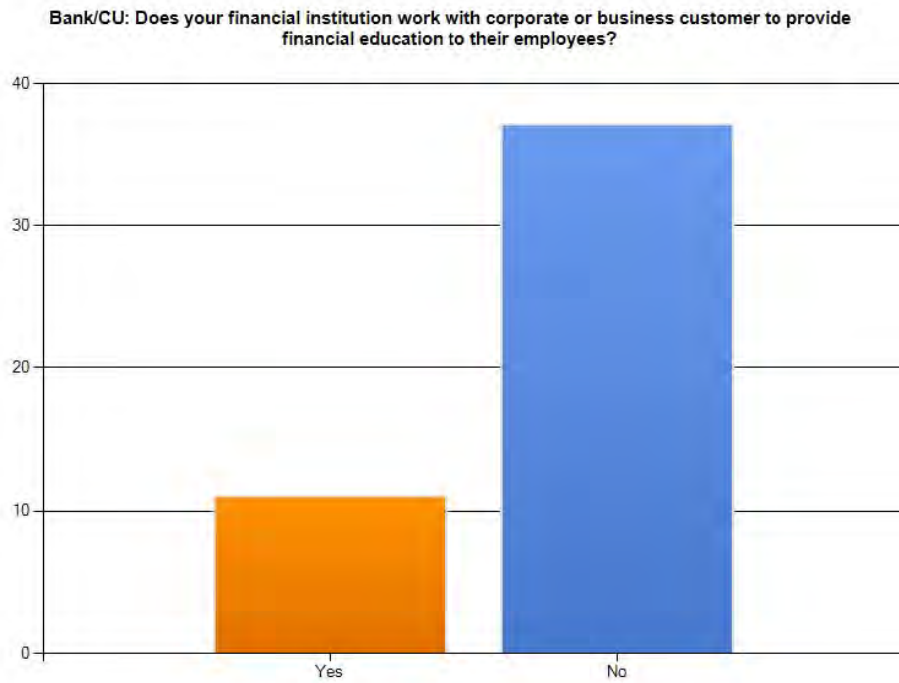
**Figure 2:**



**Figure 2: What Banks Would be Willing to Offer if a Statewide Program Existed**

A total of 44 banks shared what their financial institution would be willing to do if “a statewide program was launched to promote financial education” (with the option to select all that apply). The highest response rate of 79.5% indicates that banks would both A) work with more community-based organizations to increase the number of financial education programs in their city/town, and B) promote financial education to bank members through branch brochures and targeted marketing. The second highest rate of 75% of the banks indicated that they would provide financial education to the employees of their corporate and business members (See Figure 2) if a statewide program were launched to promote financial education.

**Figure 3:**



**Figure 3: Do Banks Provide Financial Education to Employees of Corporate or Business Customers**

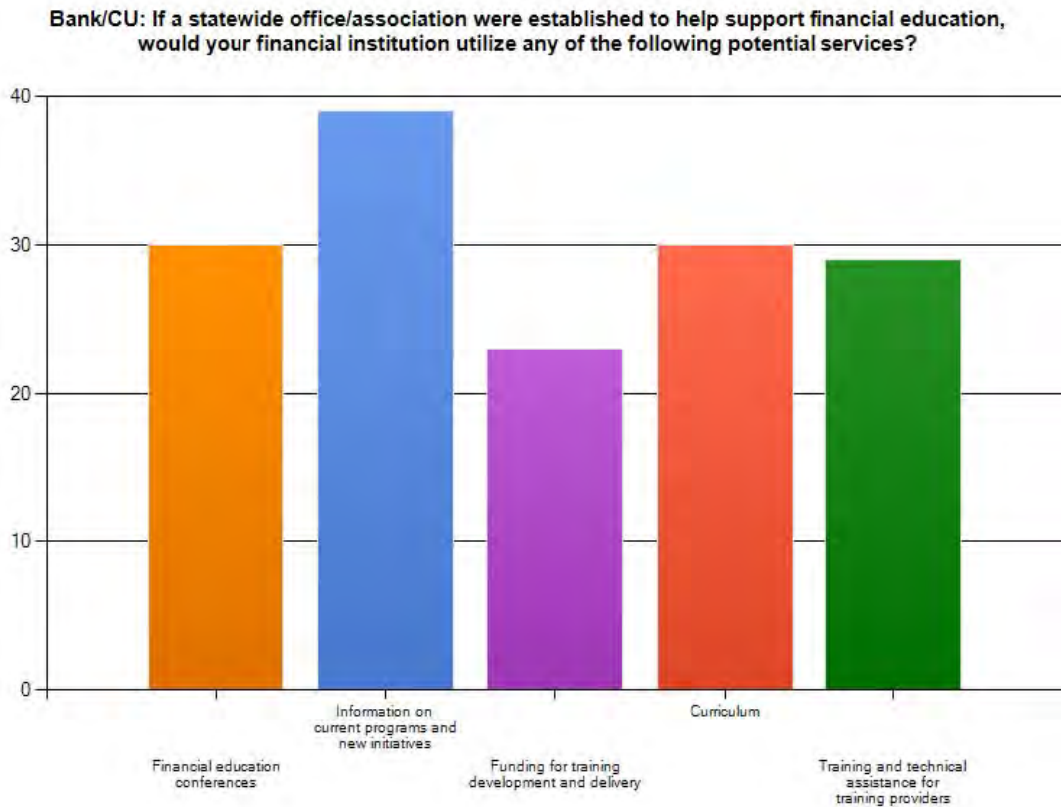
A low percentage of banks, 22.9%, responded that they currently provide financial education to the employees of their corporate or business customers (See Figure 3).

Banks have indicated an interest in financial education for students in grades K-16, out of the life-cycle options, but are also interested in statewide financial education public awareness campaign.

## Credit Union Data

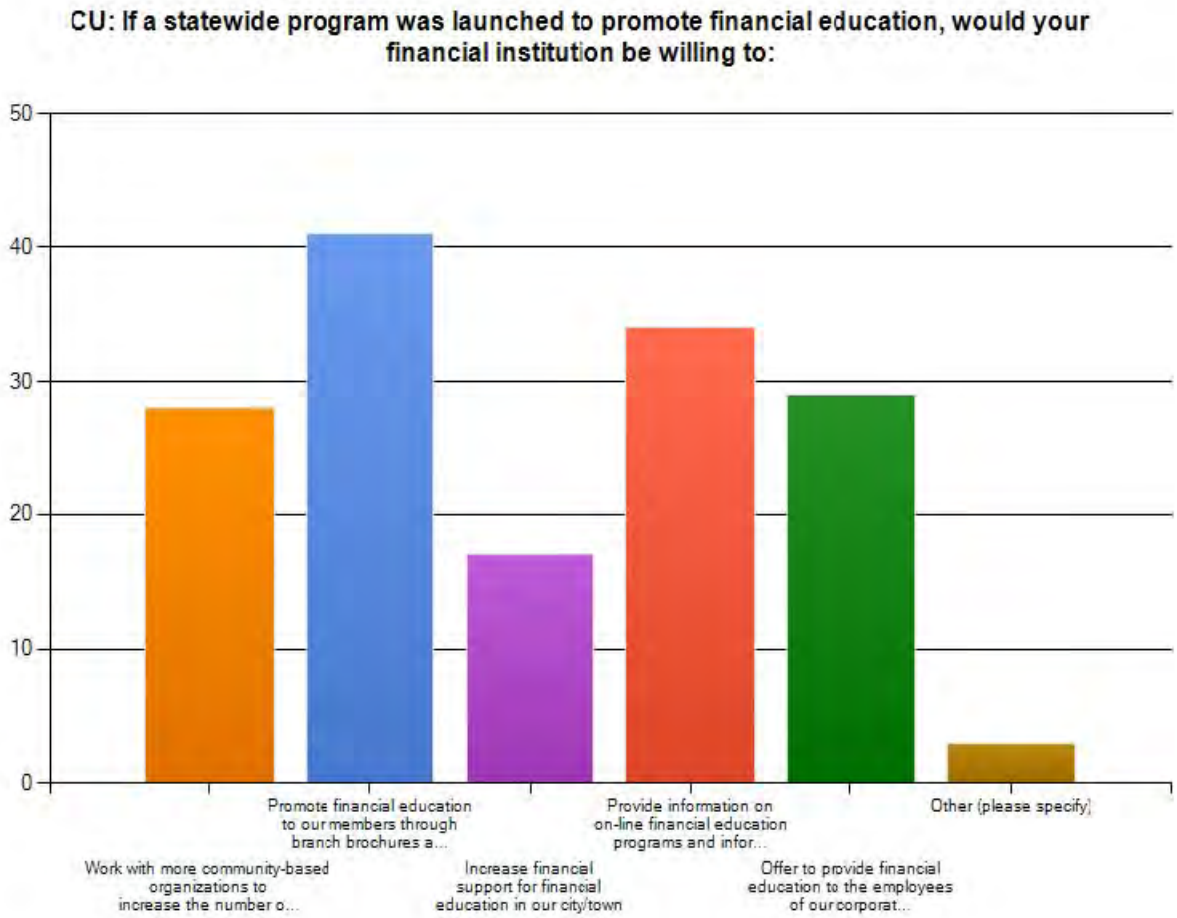
**Figure 4: If there was a statewide entity for financial education, credit unions would:**

### Utilize...



A majority, 95% of credit unions indicated that they would utilize any information made available if a statewide office/association were established to support financial education. In addition, the credit unions would be willing to promote this statewide entity and provide information on online financial education programs on a statewide website. (See Figures 4 & 5 blue bars on each graph.)

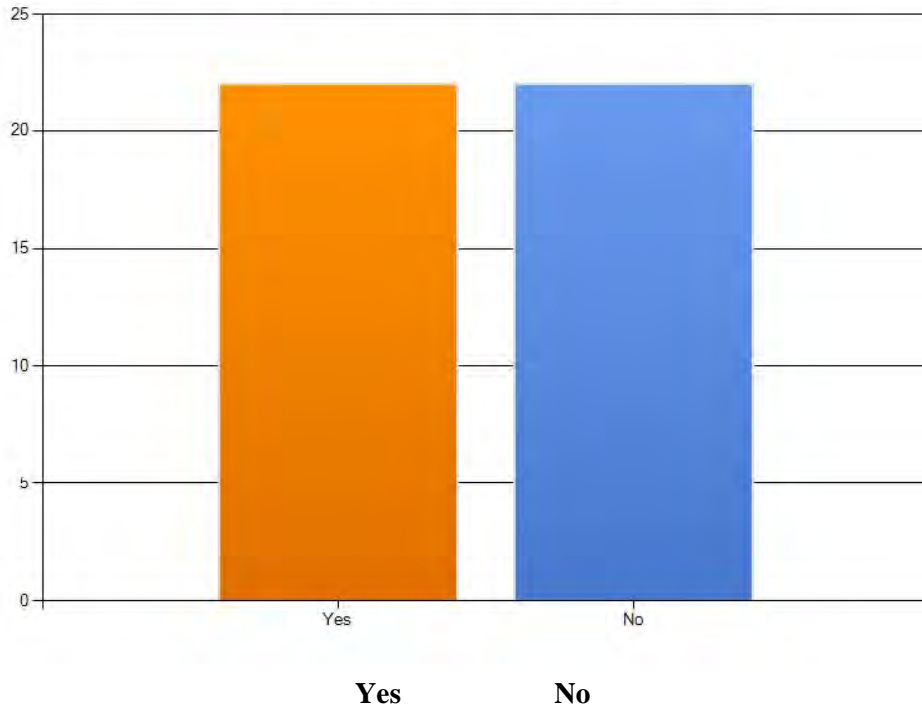
**Figure: 5: If there was a statewide entity for financial education, credit unions would:  
Be Willing to Participate In...**



**Figure 6:**

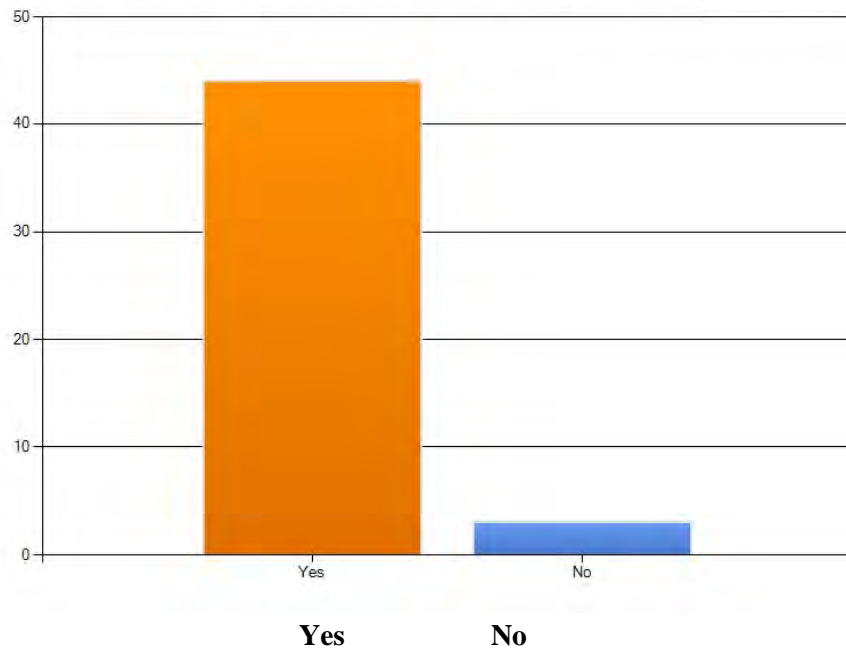
### Credit Unions

Bank/CU: Does your financial institution partner with community-based and other organizations to present financial education programs?



### Banks

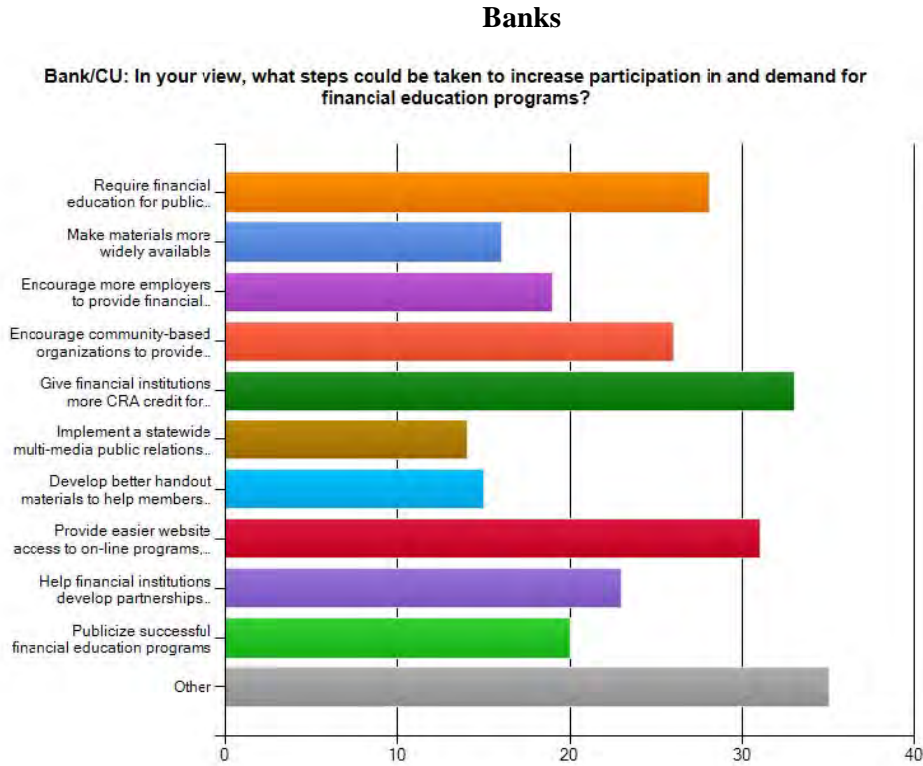
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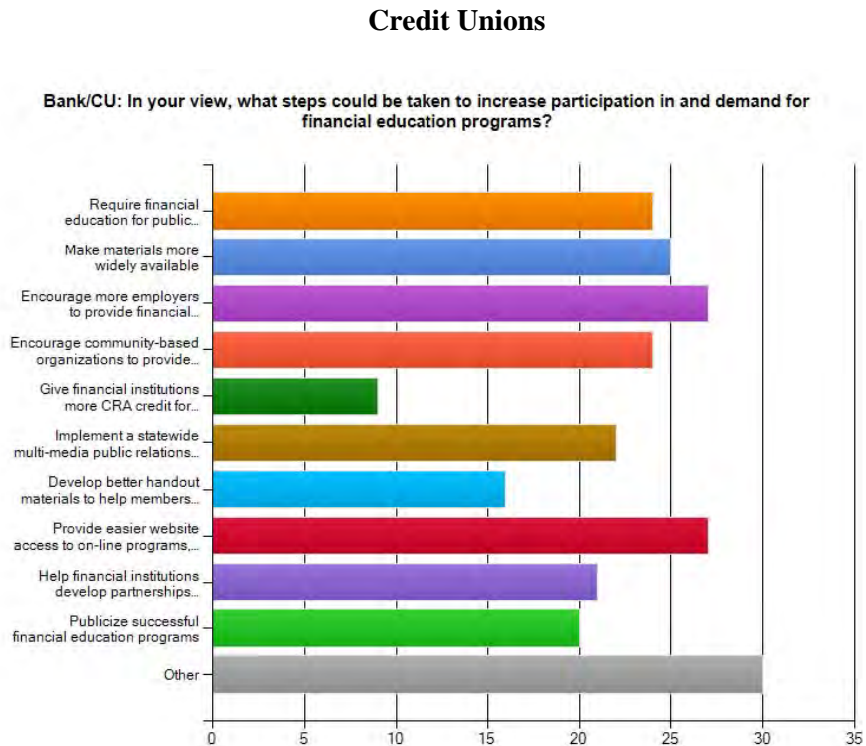
## Comparison of Survey Responses: Banks & Credit Unions

Figure 6 above is a comparison of the percentage of credit unions and banks that partner with community-based and other organizations to present financial education programs.

**Figure: 7**



**Figure: 8**





### **Suggested Steps that Financial Institutions Indicate Could be Taken to Increase Participation In and Demand for Financial Education Programs?**

The results suggest that financial institutions are most effectively incentivized by receiving CRA credits for providing financial education (66%), and the second best way is to provide easier website access to on-line programs, materials and information on local classes (62%). In addition, 56% of bank respondents suggested that by requiring financial education for public assistance recipients participation in financial education programs would increase (See Figure: 7). Credit Unions emphasized that they need easier access to materials. (See Figure: 8)

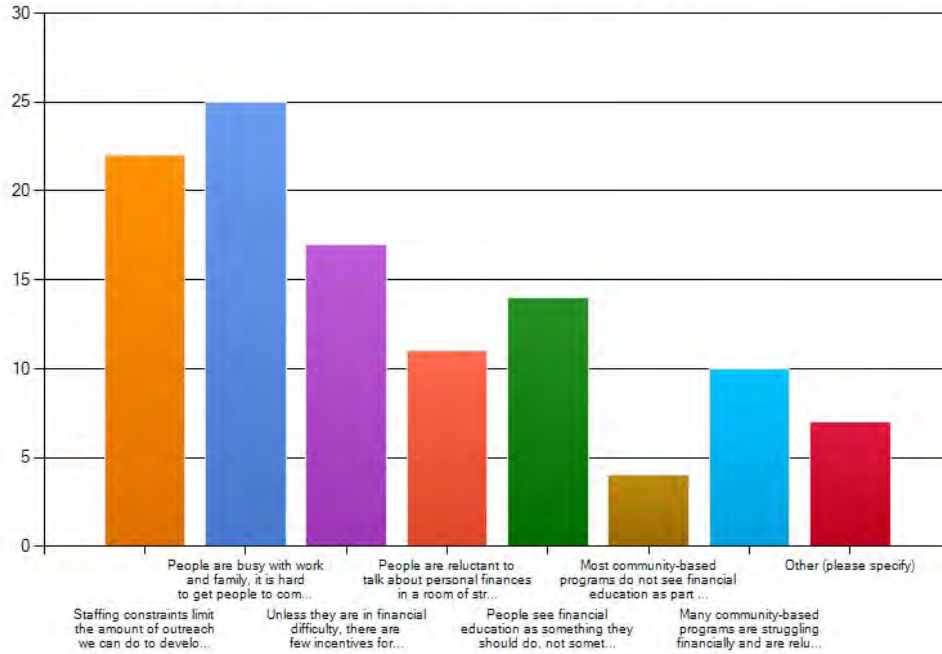
### **Banks and Credit Unions Agree on the Two Primary Barriers to Providing More Financial Education Programs to Adult & Senior Residents.**

It was clear that the two most significant barriers to providing “more financial education programs to adults and senior residents” are: A) People are busy with work and family and find it hard to find the time and B) Staffing constraints limit the amount of outreach for developing financial education programs. This appears to be a barrier from both a supply and demand perspective. (See Figures 9 and 10 on page 9.)

**Figure 9**

**Banks**

**Bank/CU: In your view, what are the primary barriers to providing more financial education programs to adult/senior residents in your market area?**



**Figure: 10**

**Credit Unions**

**Bank/CU: In your view, what are the primary barriers to providing more financial education programs to adult/senior residents in your market area?**

