

Toward a Credit Building Culture in Boston:

A Progress Report from the First Year of the Boston Builds Credit Initiative



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July 2019

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Executive Summary

Boston Builds Credit (BBC) is the nation's first citywide effort to approach credit building as a foundational building block for economic security, mobility, and equity. A joint initiative of the [United Way of Massachusetts Bay and Merrimack Valley](#) (United Way), [Mayor Walsh's Office of Financial Empowerment](#) (OFE), and [Local Initiatives Support Corporation Boston](#) (LISC Boston), BBC aims to support 25,000 individuals to attain a prime credit score of 660 by the year 2025.

The Institute on Assets and Social Policy (IASP) at Brandeis University partnered with BBC to conduct a developmental evaluation during the early implementation stage of this initiative and generate key process insights for real-time input, maximum impact, and lessons learned for replication (see Appendix A for evaluation questions and methods). This 2nd report draws primarily on 22 interviews conducted with BBC partners in 2019 and focuses on the origins, structure, successes, challenges, and opportunities that shaped the BBC initiative in 2018. Additional insights related to the Roxbury place-based pilot are highlighted in the 1st report *Building Credit, Building Networks: Lessons Learned from the Boston Builds Credit Roxbury Place-Based Pilot*.

BBC strengths, with corresponding challenges and opportunities:

- Credit as foundational and holistic
 - Collaborative leadership
 - Research & development
 - Partner network and strategy alignment
 - Value to partners & community members
 - Initial culture shifting and movement building
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Insights are designed to inform:

- Recommendations for BBC as it scales up and evolves into a city-wide movement to build a culture of credit in Boston
- A set of essential elements for replication in other cities around the United States seeking to advance economic security, mobility, and equity through credit building.

The BBC initiative is developing a credit building culture in Boston by expanding access to credit building workshops, financial coaching, and Financial Check-Ups. Through these services, Bostonians establish or improve their credit, and develop empowering relationships with coaches and organizations to achieve their financial goals and build assets. The established strong network of partners from the public, private, and non-profit sectors believe that BBC provides useful technical or logistical support to their community-based or institutional

initiatives. BBC is also valued for facilitating communication among partners. Partners are pleased to be part of a growing movement that in the near future will incorporate a public information campaign and an increased emphasis on community knowledge and racial equity.

Overview of Boston Builds Credit

As the first citywide credit building initiative in the nation, Boston Builds Credit (BBC) approaches credit building as a foundational building block for economic security, mobility, and equity. This initiative was created and is led by a cross sector collaboration of United Way of Massachusetts Bay and Merrimack Valley (United Way), Mayor Martin J. Walsh’s Office of Financial Empowerment (OFE), and Local Initiatives Support Corporation Boston (LISC Boston). BBC aims to support 25,000 Bostonians to attain a prime credit score of 660 by the year 2025.

Project Origins and Leadership

BBC Structure

- Project leadership - public/private partnership with strong alignment of organizational priorities
- Partner network - network of institutional and community-based partners – building off existing services and partners’ goals
- Approach to credit building - dual approach with multiple components includes 1) identifying multiple points of contact for Bostonians and 2) changing systems and policies on access to safe financial products and protecting consumers
- Community awareness and knowledge – two-way process informed by public information campaign, racial equity lens, and community engagement
- Data – development of indicators for monitoring and evaluation as the initiative grows

Boston Builds Credit emerged from the alignment of shared goals between aspirational leaders from United Way, OFE, and LISC Boston and an assessment of the needs of low-income Bostonians. With a long history of working together to build financial capability in Boston and the shared goal of broadening their services and impact, they began exploring means of solving financial problems in the City of Boston in more depth in 2015. These three lead partners engaged outside experts and consultants to help them conceptualize and design a citywide credit building initiative that aligned national best/promising practices with the resources and partnerships available in Boston. The Midas Collaborative conducted a feasibility analysis of what a citywide credit building¹ initiative could look like, and the leadership team developed a business plan. From there, BBC leadership began reaching out to community-based organizations already engaged in—or interested in—services related to credit building education, financial coaching, and safe financial products to gather input on their model.

Research into the financial resilience of Boston residents highlights the fact that increased income (through jobs, promotions, or public assistance) is only one contributor of financial

wellbeing and having good credit can change a person’s financial situation in meaningful ways.

Research also demonstrates vast racial and neighborhood-based disparities in wealth, poverty, and economic stability rooted in historical and overlapping systems of discrimination and disadvantage.

“This is a groundbreaking project. It’s the first time a community has come together to really show the connectedness between credit and economic mobility and bridging the racial wealth gap.”

– National Partner

¹ For a comprehensive definition of credit building, see banner on pages 3 and 4

The following findings provided a basis for and continue to inform the BBC model:

- A 2015 feasibility study commissioned by OFE, United Way, and LISC Boston found that “the most common issue people were looking for help on” was credit buildingⁱ
- Over 200,000 Boston residents have either no credit scores or poor credit scoresⁱⁱ, and credit health ranges by neighborhood; more than half of Roxbury residents have a sub-prime credit scoreⁱⁱⁱ
- Good credit is a means of reducing expense inequality^{iv}
- Credit is foundational for financial wellbeing; in addition to qualifying for lines of credit, credit scores can affect job opportunities, rental applications, and more
- Credit can help people weather financial shocks and emergencies and can be rebuilt regardless of low income and wealth levels
- The median wealth of white Bostonians is \$247,500 compared to \$8 for Black Bostonians^v

“BBC combines social justice... with actionable, immediate goals and tactics. Things that can really make a difference TODAY. Within 6 months you can raise a credit score up to 50 points, making it an immediate asset.”

– National Partner

In 2017, the three lead partners formalized a public-private partnership and created the BBC leadership team. With longstanding roots in Boston, this team brings valuable organizational assets and resources to fulfill their goal:

- **OFE** works with Boston’s low-income residents to build their financial health through free financial coaching at the Roxbury Center for Financial Empowerment and a variety of other asset building initiatives. Through the Boston Tax Help Coalition’s Volunteer Income Tax Assistance (VITA) program, OFE provides Financial Check-Ups, a light-touch credit building intervention.
- **United Way** funds a network of agencies providing financial coaching, leads data tracking efforts, and provides training and capacity building for financial coaches through the Financial Empowerment Learning Institute and related communities of practice for financial coaches and supervisors.
- **LISC Boston** provides strategic knowledge of the various communities in Boston and has extensive experience working with Boston residents and local organizations on housing, small business development, and other asset building initiatives.

Credit Building: Credit building is the opening and successful management of financial products over time. More than credit education or remediation, credit building requires the existence of at least one positive trade line, such as an installment loan or credit card, on an individual’s traditional credit report. To build credit, that trade line must be both open and active, meaning the consumer or small business is both using credit regularly AND making all payments on time.

Lenders report both installment (car loans, student loans, mortgages, etc.) and revolving (credit cards or lines of credit) credit to the credit bureaus. In order to build credit, installment loans must carry a balance and require a monthly payment. While paying off debt is viewed positively, once paid in full, a loan is no longer active and will not continue to build credit. Revolving credit, on the other hand, offers an unlimited credit building solution as long as it is actively and judiciously used; at least once every six months and ideally monthly. An outstanding balance on the credit card is not required to build credit.

To build the institutional capacity and collaborative learning required for partners to offer credit building through multiple access points in Boston, BBC engaged a network of community-based organizations, employers, community colleges, and other institutions that have the potential to reach Bostonians and offer credit building services and products in the spaces where they live, learn, work, and play. Within the first year, the leadership team engaged over 40 partners across sectors, which enabled them to pilot the set of credit building strategies described below. (For a full list of 2018 partners, see Appendix B). They also invested in a place-based pilot focused in the Boston Roxbury neighborhood, and set up a network to provide 16 community-based organizations with resources, training, and networking through a Roxbury Community of Practice (COP). COP meetings were designed to share relevant information, provide BBC updates, and ensure an open forum for conversation and clarification on topics related to credit building. (See *Building Credit, Building Networks: Lessons Learned from the Boston Builds Credit Roxbury Place-Based Pilot.*) The BBC leadership team also held weekly meetings to coordinate project implementation and bi-monthly retreats to make strategic decisions about the initiative.

Approach to Credit Building

In order to support 25,000 Bostonians to attain a prime credit score of 660 by the year 2025, the leadership team piloted a range of strategies that are conceptually bound by a dual approach to credit building (see Figure 1). The first approach is to reach Bostonians through multiple access points by offering workshops, coaching, and Financial Check-Ups in a range of settings through partner

“The position here isn’t just that this is a big, lofty goal... [it has] immediate individual impact as well. The two [services and systems] NEED to travel together. We need to feel that even as we’re making individual impact, it’s also impacting change at a systemic level.”

– Leadership Team member

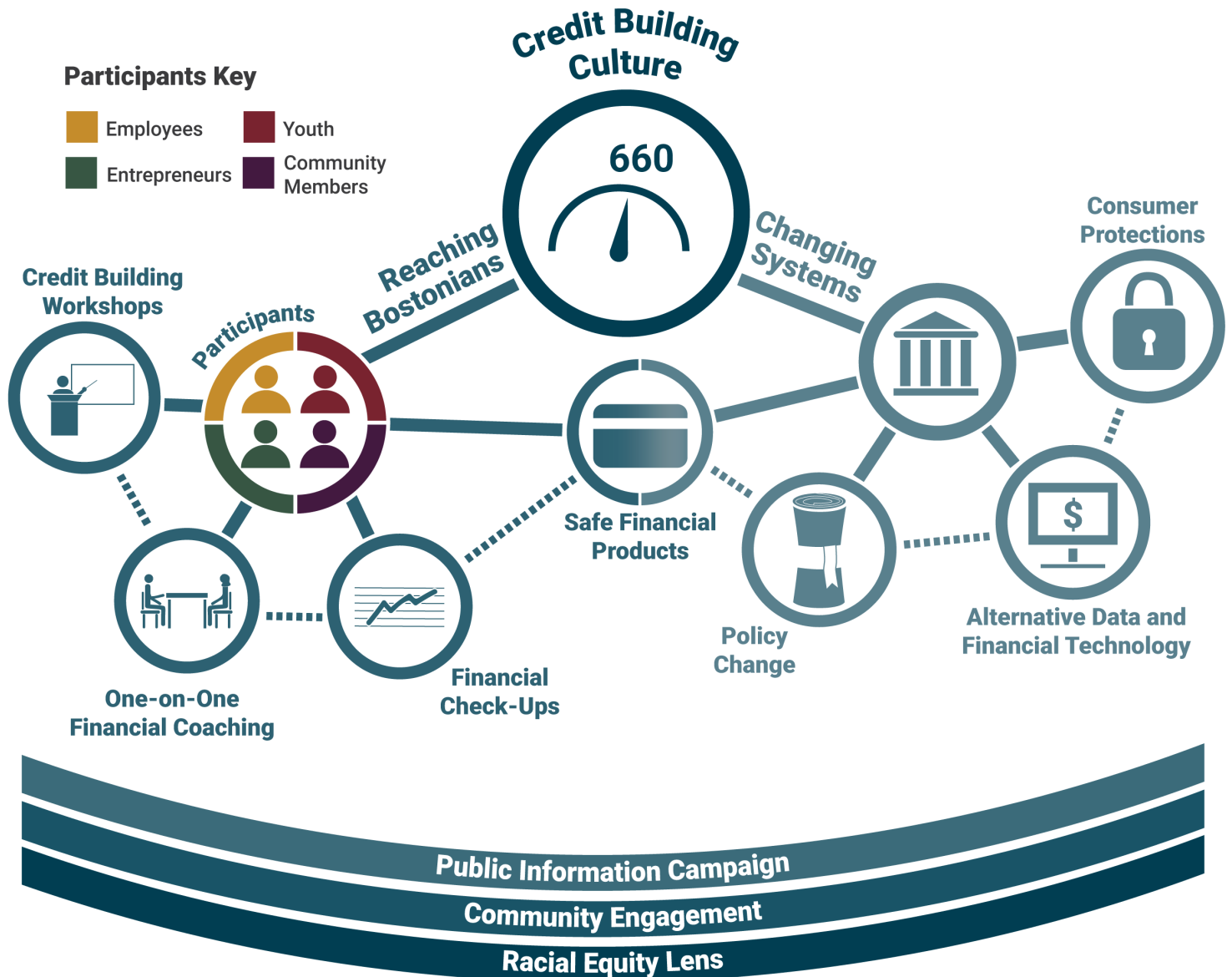
organizations. Partnerships are intentionally designed to reach Bostonians at all stages of the life course and at different points of asset development including youth, low-wage employees, small business owners and entrepreneurs, and low-income community members connected to service-providing organizations. The second approach is to change systems by developing and providing access to safe financial products, contributing to policy changes, investigating and piloting alternative data and financial technology strategies, and enhancing

consumer protections. All of this is undergirded by a public information campaign and authentic community engagement and is informed by a racial equity lens.

The number one rule in credit building is to make all payments on any credit account on time, every time. Improving one’s credit score once established does require reducing current revolving debt loads (to no more than 30% of the credit limit) and paying off historical accounts in collections as necessary, however, addressing past credit problems alone does not constitute credit building.

While credit building does not happen overnight, it is an empowering process that can be employed by individuals or small businesses to address their financial circumstances relatively quickly. Credit building is the only way someone with no credit history or active trade lines can establish or reestablish a credit score. It is also often an effective and expeditious first step for those with poor credit who wish to boost their credit scores. In just six months, for example, on-time payments reported to the credit bureaus on an installment loan as small as \$100 can help an individual with a low credit score increase his or her score by an average of 35 points—and move an individual with no credit score to a prime credit score.

Figure 1. BBC's Year 1 Approach



In 2018, BBC prioritized and developed activities that aligned with the ongoing work of the lead organizations and their partners. This section provides an overview of all BBC activities and describes the progress made on each activity within the first year.



Credit Building Workshops: Throughout the city in a variety of locales, Boston residents access a brief one-hour credit building workshop. Core content for the curriculum includes why credit is important, rules and tools of credit building, and how credit affects future goals, as developed by Credit Builders Alliance in its Credit as an Asset training. The workshop also clarifies the mixed messages consumers receive about credit and addressed credit myths. With the information provided in the workshop, participants can take actions to begin building good credit.

In Year One: BBC served 2,000 community members in workshops at 10 community partner sites.



One-on-One Financial Coaching: Financial coaching is a strengths-based model that uses participant goals and motivations to drive behavioral change and progress. Financial coaches seek to help participants think about their financial goals and to hold them accountable for their own outcomes over time. Participants engaged in financial coaching pursue a variety of goals, both short and long term, such as saving, debt management, budgeting and credit building. Because it may take time for participants to attain their goals and may require behavior change, financial coaching typically is a long-term process that takes place during multiple meetings.

In Year One: BBC engaged in financial coaching with 1,560 community members at 28 community partner sites. 160 nonprofit practitioners from Boston were trained through United Way's Financial Empowerment Learning Institute as part of the BBC initiative.



Financial Check-Ups: The Office of Financial Empowerment's Boston Tax Help Coalition offers free tax preparation and filing at over 30 different locations in Boston. In 2017 they served 12,709 taxpayers and returned \$26.78 million in tax refunds. The Boston Tax Help Coalition stands out from other VITA programs by including a Financial Check-Up service with tax preparation services at 12 sites. The Financial Check-Up is a one-on-one meeting between a taxpayer and trained volunteer at the time of tax filing, at which the volunteer reviews the taxpayer's credit report, provides credit advising (e.g., to manage credit card debt or to build a FICO score), and offers service referrals (e.g., for housing assistance programs). These meetings are designed to be both effective and scalable: effective in leveraging tax refunds to enhance financial wellbeing, and scalable in reaching thousands of taxpayers a year, typically for just fifteen to twenty minutes each.

In Year One: BBC completed 2,400 Financial Check-Ups with community members at 8 VITA tax sites.



Safe Financial Products: In order to build credit, participants need access to safe financial products that create opportunities to prove credit trustworthiness without the harsh penalties that are characteristic of predatory products. Financial products such as secured loans and credit cards can be used to build and sustain strong credit scores.

In Year One: Through a partnership with Working Credit NFP, BBC offered participants engaged through their employers the CW-3 credit building product². Moving forward, BBC will work with partners to create and disseminate additional safe financial products to Bostonians.



Policy Change: While changing individual behavior can improve credit scores of community members and incrementally improve their financial health overall, creating a credit building culture at the state level requires policy change. For example, policies that allow (or disallow) employers from checking credit scores prior to making hiring decisions, that mandate financial literacy education in the public-school curriculum, and that regulate the financial products industry all have a direct impact on the financial efficacy of Bostonians. BBC lifts up community priorities in policy conversations.

² The CW-3 credit building product builds credit by providing a \$300 loan from a mainstream financial institution to program participants, which is deposited into a locked savings account. As participants pay this loan off, payments are reported to the credit bureaus. At the end of the loan period, the participant takes the funds from the savings account and opens a secured credit card.

In Year One: BBC has always had a commitment to engaging in policy work and has a plan for exploring opportunities to adjust policies, procedures, and/or credit reporting and lending processes. They intentionally decided to hold off until they made progress on the implementation of other activities before taking this on in a comprehensive way. Community members and partners identified this as an area where BBC has the potential to have a lasting and meaningful impact.



Alternative Data and Financial Technology: Current credit reporting data can privilege individuals with higher levels of wealth. For example, if an individual owns their own home, then every on-time mortgage payment benefits their credit score. In contrast, an individual who rents their home does not get any credit for making timely rent payments, though their score will decrease if they make payments late. Lower income families and individuals are much more likely to be renters than are higher income families and individuals. Alternative credit reporting data and financial technology has the potential to make credit building more accessible to all Bostonians.

In Year One: LISC Boston partnered with the City of Boston’s Economic Mobility Lab to conduct research on the feasibility and efficacy of reporting rental payments to credit bureaus. The process remains ongoing, as they determine which lenders use certain credit scores that can be impacted by rent reporting (FICO 9 and Vantage 3 and 4). These are scores that individual consumers can see but some lenders may or may not pull when determining credit reliability for an auto loan, renting an apartment, or opening a credit card. When finalized, LISC Boston plans to share this information with the BBC network and identify ways to alter rent reporting formulas and/or pursue other alternative credit reporting strategies for the maximum benefit of low-income Bostonians.



Consumer Protections: Boston has relatively strong regulatory protections against predatory credit building products. Still, there are many predatory products targeting Bostonians. Pay day loans, auto title lenders, and high interest rent-to-own payment plans cost consumers with poor or no credit exorbitant amounts.

In Year One: BBC contracted with a consulting organization to develop a public information campaign about the benefits of good credit to counter the advertising of predatory lenders. Still in its early stages, this campaign seeks to develop positive messages about credit to counter the “louder” messages coming from predatory lenders and to engage Bostonians who have taken on high interest loans in the past.

Implementation Successes, Challenges, and Opportunities

BBC Strengths

1. Credit as foundational and holistic
2. Collaborative leadership
3. Research & development
4. Partner network and strategy alignment
5. Value to partners & community members
6. Initial culture shifting and movement building

BBC is a solid collaborative initiative with many strengths that have come through in its first full year of operational programming. This section provides findings from the Year 1 evaluation, organized into 6 themes that the evaluation team identified as core strengths of the initiative. Primary data come from interviews with national, leadership, and local partners who answered questions about their perspectives on the BBC initiative. (Please see Appendix A for evaluation questions and methods). Each area of strength reveals corresponding challenges and opportunities for maximizing impact and realizing the BBC vision into the future.

Strength: Credit as Foundational and Holistic

Opportunity: Within foundational, holistic credit building strategies, directly acknowledge challenges of credit building and meet participants where they are.

Most respondents felt strongly that focusing on credit is a strategic and promising way to address poverty and inequality, due to its role as a foundational building block for asset building. As a systemic issue, low or no credit is a shared barrier to financial stability and mobility for many Bostonians. Many low-income Bostonians have little to no savings and therefore credit is often the sole viable option for avoiding homelessness or putting food on the table for temporary periods of time.

At the same time, this is an understudied and under-utilized approach to poverty alleviation, and respondents also recognized that focusing on credit can raise complications, fears,

and concerns. BBC found that from a messaging and educational perspective, not all partners and community members easily embraced the idea that credit can be used as a positive tool.

In addition, Roxbury participants and community partners – majority low-income, immigrants, and/or people of color – reported how historical experiences have led them to mistrust financial institutions. In some ways, BBC is competing for positive messaging within a broader landscape of advertising from predatory products, even in Boston where there are stronger regulations than in other parts of the country. Many participants shared that they do not trust the financial system and prefer not to owe money to anyone. Past experiences with high levels of debt can lead people to see credit as threatening their financial wellbeing. Several participants had learned as young people that

“[Credit] is a systemic issue that is a barrier, but you can also use credit as a tool. We are ALL credit builders, we’re all in this together.”

– Leadership Team Partner

“credit is a trap,” or that credit and debt are bad and to be avoided. This led them to avoid credit cards, loans or other types of debt, without understanding how these loans could become the basis for good credit. One woman said she discovered through BBC-supported workshops and coaching that “credit is life” and that it is critical for everything—cars, homes, and even for jobs.

Faced with these concerns, low-income Bostonians may be more likely to set up alternative systems (such as lending circles) and

“Among middle class families, many are tortured by credit card debt, they can’t imagine a credit as a good thing. Yet if you don’t have a credit card, things are even worse. The worst interest rate on a credit card is 30%, [while the] lowest interest rate on a pay day loan is 400%. For people who haven’t lived that option, they think credit cards are really bad, and it can be hard for people to recommend credit as strategy.”

– National Partner

credit-building initiatives should allow space for these alternative systems. Encouraging people to weigh their options within and outside of the traditional financial systems is an empowering approach but requires complicated messaging and implementation.

Credit building work touches on some tough realities, both personal and structural. BBC has learned that building trust, establishing a positive track record, and forming networks for dissemination takes time and requires authentic community engagement to meet Bostonians where they are. Messaging and program content should increasingly align with the lived experiences of community members. Validating the historical and current inequities facing low-income communities and communities of color is part of that process. Moving forward, BBC is committed to acknowledging and integrating these very real challenges into all aspects of their credit building work. Within the foundational, holistic credit building work of BBC, the concerns and challenges of utilizing credit that are historically and culturally informed will be addressed to break down barriers to participation for individuals and families.

Strength: Collaborative Leadership

Opportunity: Leverage the strengths of the leadership team for further alignment and communication of shared vision.

As described above, the BBC initiative is spearheaded by a strong, collaborative leadership team. National partners recognized the challenge of working collaboratively across multiple, diverse organizations. Yet local and leadership partners consistently noted the public-private structure of the initiative as a critical component underlying its success to date. The support and leadership of the city has opened doors and leveraged support that has been invaluable to the initiative.

Each leadership partner brings unique strengths to the work of credit building. United Way has been providing financial coaching to community members and training to financial coaches on best practices related to credit for several years. LISC Boston has both grassroots and grassroots partnerships in Boston which have allowed lessons learned on the ground in the community to be translated to policy and programmatic work across collaborators. The City of Boston founded the Roxbury Center for Financial Empowerment, developed the Financial Check-Up model, and implements it through the free tax preparation administered by Boston Tax Help Coalition. Building on the existing work of partners, the BBC leadership team has created a multifaceted approach to credit building that leverages each partner's strengths.

“It’s really hard to work collaboratively. It’s very difficult to be effective as a group when you’re not working for the same agency. [BBC Leadership] is doing a great job. That cannot be overstated.”

– National Partner

The complexity of the BBC initiative requires that the strength of the leadership team be leveraged to ensure alignment of goals for all partners. The integration of so many moving pieces has the potential to dissolve into disjointed silos of work or multiple counterproductive efforts and competing priorities. Moving into subsequent years of the initiative, BBC is committed to bringing all partners into authentic collaboration and alignment. This can be done through the development and use of a theory of change to ensure clearly articulated and agreed upon goals for all partners.

Strength: Research and Development

Opportunity: Continue to reflect on the efficacy of each strategy in order to prioritize efforts that have the greatest potential for impact. Balance time-sensitive need to increase access with more easily integrated strategies with a broad reach.

As an initiative striving to change the credit building culture of Boston, BBC requires a multitude of strategies through which to reach Bostonians. Some degree of “throwing everything against the wall to see what sticks” has benefited the initial phases of the initiative. BBC is increasingly pairing the willingness to try new strategies with thoughtful planning, research, and piloting to anticipate and measure the impact of each strategy. This research and development (R&D) work will assist the leadership team in prioritizing their work and streamlining the coordination of the initiative for administrative efficiency.

For example, rent reporting was identified early on as a tool for addressing credit inequities and is widely considered to be an avenue for low-income populations to boost their credit scores. As described above on page 7, BBC is conducting a careful investigation into rent reporting to determine whether providing alternative data on rental payments to credit bureaus would affect

low-income Bostonians’ ability to access the type of loan products they seek. The way it is currently structured, rent reporting may help boost certain credit scores without benefiting consumers taking out an auto loan, renting a new apartment, or opening a credit card. Once BBC completes this research, the leadership team will work with its network of partners across Boston and beyond to share detailed findings so that they can make strategic decisions about whether and how to make an impact through alternative data and/or financial technology. For example, local partners may decide to establish rent reporting mechanisms for Bostonians, with a greater understanding about how this will impact their scores and loan applications. Other partners may decide to create new partnerships with financial technology innovators or credit bureaus to try to improve the efficacy of rent reporting at a broader scale. BBC’s work in R&D will ultimately allow for the intentional expenditure of valuable and limited resources in Boston while simultaneously contributing to an emerging knowledge base that can inform and improve credit building efforts around the country.

A key component of R&D is listening to community priorities. BBC’s R&D work around youth and entrepreneurship in Year 1 aligned with the community-identified needs for credit building knowledge and tools for younger generations and emerging business owners. Community members, national partners, and the leadership team each consistently identified a need for programming and coaching

around credit building for youth. Through evaluation work conducted by researchers at Northeastern University, OFE piloted a youth credit building strategy in 2018 with positive initial outcomes^{vi}. LISC Boston led a series of on-the-ground listening sessions with entrepreneurs and small business leaders

“We want to make sure that if and when we move forward with rent reporting it’s clear that there will be a connection with the scores that will impact [consumers’] ability to achieve [their] financial goals.”

– Leadership Team Partner

“Financial literacy isn’t something that’s in the schools, credit least of all. Every youth I’ve worked with under 20 is honestly afraid of getting a credit card because no one has coached them on it.”

– Community Partner

that revealed the community-identified need for a financial coach specifically to work with Bostonians looking to build credit in order to launch their own small businesses. Conversations that occurred both formally and informally in classes and in the community have identified this need in the coming year. As

“We experiment with different ways to attract and communicate to employees... the end result is that ‘all of the above’ is what needs to be done to reach different types of staff.”

– Community Partner

a result of this R&D work, BBC has plans underway to place a financial coach at two sites (Bunker Hill Community College and Roxbury Community College) to reach young people as they are beginning to build their credit visibility and at a community organization that supports small businesses.

Another example of BBC’s approach to R&D is demonstrated by the strategies used to reach Bostonians to participate in the credit building activities. At Boston Medical Center (BMC), Working Credit NFP provides credit building coaching to employees. In addition, while the majority of the credit building services of BBC are free, BMC financed Working Credit NFP’s coaching via a modest weekly payroll deduction. The team at BMC realized quickly that the variety of employees who work at a 24-hour hospital required more than a standard workshop during a lunch hour. Working Credit NFP offered 20-minute workshops during department huddle meetings in the morning before shifts, attended housekeeping staff meetings monthly, created manager talking points to introduce the idea of credit building prior to having Working Credit NFP attend, and consistently developed creative avenues through which to access the wide variety of employees at the hospital. These innovative approaches have made credit building efforts accessible to groups of employees who would not otherwise have been able to engage in the work.

The leadership team has demonstrated a propensity and skill for assessing strategies for both feasibility and impact. With the seemingly unending possibilities for ways to engage Bostonians in credit building, it will be helpful to standardize the process of researching, piloting, and evaluating new opportunities. Part of this process will be finding a balance between conducting careful R&D on the efficacy of each strategy to maximize impact and achieving BBC’s time-sensitive goal to reach thousands of people through increased access to credit building products and services.

Strength: Partner Network and Strategy Alignment

Opportunity: Build on the momentum of Community of Practice meetings to facilitate collaboration and sharing across partners.

BBC represents the convening of multiple sectors (local government, education, support services, employment human resources, healthcare, credit bureaus, financial institutions and lenders, and more) around the single issue of credit building. This holistic approach to credit building for all of the city’s residents is a great strength of the initiative. BBC successfully laid the groundwork for an authentic Community of Practice in Roxbury where partners are sharing resources, best practices, and mutual support. This network could be expanded into a larger collaborative network of partners engaged in credit building. One strength to the way that BBC has integrated credit building into the ongoing work of community organizations is that there are few burdens or barriers to participation. However, this method of integration also creates the challenge of aligning and standardizing the credit building work of each affiliated organization.

Community partners note the value of having an authentic Community of Practice as the foundation

of a movement for a credit building culture. The periodic gatherings provide education about resources as well as opportunities for representatives from various partner agencies to come together and learn from one another. One community partner connected with another organization through the Community of Practice meetings, was able to attend a credit building workshop at their site, and brought the best practices she learned there back to her own organization. Other partners talk about the value of the referral network of organizations affiliated with BBC. Finally, the training that organizations can access through United Way has improved the quality of services being delivered throughout the city.

“The opportunity to engage in this project has been tremendously beneficial for our program. We’ve made additional connections in the community, including with other participating partners. [BBC] has generated referrals of new clients as well as enhanced our toolkit and allowed us to connect our clients to subsequent services.”

– Community Partner

At the same time, interviews with community partners revealed that some partners are working on similar tactics, but not always understanding or benefiting from the work and lessons learned by other partners. For example, one community agency took the initiative to reach out to local employers to offer workshops, without using the ongoing employer-based strategy at BMC as a model.

Two community-based organizations are considering pursuing rent reporting, despite the fact that LISC Boston’s research into the utility of this model has not been finalized. As the BBC initiative develops concrete strategy-

“I know our part of this initiative, but I’m curious what else is going on”

– Community Partner

specific insights or promising practices through the R&D work described above, a comprehensive system and the capacity to share findings will be required. In addition, this system should allow for a two-way process through which community knowledge can continue to inform the development and prioritization of strategies.

The other major barrier to smooth implementation of the BBC vision was that community partners did not immediately adopt the model proposed by the BBC or take the project on as their own. In early Community of Practice meetings, BBC staff presented the model and partners were invited to ask questions, but this strategy did not optimize partner engagement. Community partners did not have the time needed to learn about and, more importantly, take ownership of the BBC model. Some partners experienced BBC as a burdensome “extra layer to the work” they were already responsible for. Others remained unclear about the value that BBC added to their work. The Project Director made several key adjustments to the Community of Practice as a result, meeting with a set of individual partners one-on-one to learn how the network could be most beneficial to them. she restructured the meetings so that partners have input into the agenda, time to share their work, and space to guide the direction of the larger initiative.

BBC is working to find the balance between offering tools and resources to institutions across the city while also maintaining some level of coordination, consistency, and ability to measure impact. The momentum of recent

“BBC has helped to create both a community and tools for the organizations doing this work to learn from each other.”

–Community Partner

Community of Practice meetings provides an initial network and model to build on for expanded collaboration, communication, and alignment across all partner organizations. It also could allow the initiative to more effectively reach the community, while also enhancing the services being delivered by each partner.

Strength: Value to Partners and Community Members

Opportunity: Develop indicators that capture individual behavior change and credit scores as well as indicators of community readiness to assess impact.

The BBC initiative offers value to partners and to the community members they work with. Community members are receiving education and financial coaching to build their personal credit. Employees of partner organizations are learning more about the credit building process which trickles back down to the community members they work with. Partner organizations benefit from the Community of Practice noted above with minimal requirements for participation in the initiative overall, ensuring a low barrier to entry. The engagement of community partners demonstrates the importance of credit to decision-makers at the organizational level and is the impetus for partners to prioritize this work. Finally, the BBC initiative has the potential to instigate systems-level change as it continues to expand and entrench itself in the Boston community.

Year 1 Outcomes

- 523 clients increased their credit scores by 30+ points
- 156 clients went from having no score to establishing a score, with an average score of 694

As detailed further in *Building Credit, Building Networks: Lessons Learned from the Boston Builds Credit Roxbury Place-Based Pilot*, participants learned how to build and repair credit and reduce

“Financial stress is a main driver of absenteeism. [BBC] helps to support a stable workforce and supports our mission of providing care to patients.”

– Community Partner

debt in one-on-one coaching sessions and group workshops. One man worked with a coach to clear charges from a criminal record, establish credit, and enter a workforce training program. A young immigrant woman explained that her family had no experience with credit and that she was grateful for

the information and guidance she received in a workshop. She now knows how to establish credit here, which she feels gives her more options in the future. Through financial coaching, participants reported improved techniques for controlling spending habits, which led to improved credit scores.

BBC Value to Partners and Community-Members

- Provides distinct benefits for employees/clients
- Authentic community of practice as a resource for partner staff that benefits community members
- Pathway for community partners to access credit bureaus and other institutions for advocacy and education
- Minimal requirements for organizations to partner with BBC creates a low barrier to entry and greater access for community members
- Individual credit building and financial empowerment
- Impetus for partners to recognize the value of credit building and prioritize this work

BBC-supported programs also connected participants to other organizations and resources useful to fulfilling their financial goals beyond credit.

One of the sites of employer-based credit building work articulated the value of supporting employee's financial well-being as a necessary element of ensuring good, consistent patient care. Other community partners cite what they have learned through the Community of Practice as enhancing their own interactions with community members. The message and means of credit building are emanating through the sectors of the Boston community who are engaged with BBC at multiple levels.

Moving forward, BBC is working to align their outcome indicators and metrics with this broader vision so that they can adequately assess and capture the value of their work at multiple levels. Creating change, both at the individual level of credit score improvements and at the community and systems levels, takes time. While it might take months or even years to improve a credit score, predictive indicators, such as paying off debts, are reflected in credit reports much more quickly. Similarly, authentically engaging the community to make change and researching and developing new strategies requires an investment of time prior to implementation. Indicators of community readiness to change capture the progress being made prior to the availability of outcomes measures for new strategies of engagement. Increasingly, these metrics will align with the initiative's dual approach to reaching Bostonians and changing systems.

Strength: Initial Culture Shifting and Movement Building

Opportunity: Use the public information campaign to build brand recognition of BBC so that community members have access to services and to transition BBC from a network of service providers to a citywide movement around a culture of credit building.

Based on its work in Year 1, BBC is transitioning into a movement-building model to establish a credit building culture in Boston. This suggests that the initiative is bigger than an effort to provide the most comprehensive services or build the most systematic network of providers. Building a credit building culture requires shifting values, norms, and assumptions and building a movement to create societal change for a more equitable economic system. In the first year, BBC has articulated a commitment to this work and has begun to engage partners around a multi-stakeholder, collaborative model.

A key aspect of this implementation stage is to leverage the public information campaign, currently in development, as an important tool in the forthcoming movement building. Several leadership team members mentioned that in hindsight, perhaps pursuing a public information campaign at an earlier stage of the initiative would have helped increase engagement within the first year. However, based on this process evaluation, there may also be value in the public information campaign consultant's abilities to tap into the lessons learned from BBC's first year so they can build brand recognition and generate public awareness in ways that align with the strengths and opportunities of the initiative.

“[BBC combines] immediate tactics and results with a sense of changing the world, changing communities, and making Boston a place people want to live.”

– Leadership Team Partner

Essential Elements for Replication

Based on the initial success of BBC's model in Boston, national partners are motivated to understand the necessarily elements of the initiative that are required to replicate a citywide credit building

initiative in other municipalities across the nation. The Credit Builder’s Alliance created a replication [toolkit for this purpose](#). Based on the lessons learned from year one, the IASP research team identified the processes and content elements that are essential to build a successful citywide credit building initiative. These essential elements draw directly from the strengths and opportunities documented throughout this report.

Figure 2. Processes



Figure 3. Content



Conclusion: Toward a Credit Building Culture in Boston

Moving forward, BBC seeks to build a movement and establish a credit building culture in Boston. These goals align with BBC’s dual approach to credit building piloted in Year 1 and suggest that further emphasis and investment are needed on the systems-change side of the initiative. Focusing on both individuals and systems is appropriate for a city-wide credit building initiative because it aligns with the holistic analysis that low-income Bostonians and community partners have about the root causes and interconnected nature of poverty, racial and neighborhood-based inequality, and economic security.

A culture of credit building is both the foundation upon which specific services can be provided and an overlaid goal of the work of BBC. Shifting the culture to one of credit building requires changes at the individual, institutional, and community levels. This report has demonstrated that the BBC initiative is bigger than an effort to comprehensively connect Bostonians to high quality credit building workshops and financial coaching. Boston Builds Credit is building a movement that combines actionable, immediate goals and tactics with work to create societal change and bring about a more equitable economic system.

Individuals

At the individual level, a credit building culture requires widespread fundamental awareness of the myriad uses and benefits of credit. While acknowledging the challenges of repairing and building credit and the very real barriers to trusting financial institutions, raising awareness of the potential of credit building to decrease long term expenses and open opportunities to asset building will shift individual commitment to credit building.

Working toward a credit building culture requires empowering individuals to assess the extent to which credit building is attainable and effective in helping them meet their financial

“‘The poor pay more’. Low income families are exposed to more risk and face more challenges [because of low credit scores]”

– National Partner

goals. Increased willingness and opportunities to talk about credit in authentic ways, alongside the availability of free information about individual credit, will contribute to financial empowerment. Free credit monitoring tools, such as banking apps that provide regular credit score updates at no cost, provide the information consumers need to be thinking about their credit more regularly, and will lead to credit building.

Institutions

Institutions have a role to play in shaping a credit building culture in Boston. Financial institutions and credit bureaus, over time and with the benefit of education from experts and on-the-ground partners, should shift the information that is analyzed to predict credit worthiness and scores. Rent reporting, as an example, has potential to be a more equitable tool for credit reporting, but it requires recognition and commitment from credit bureaus. Institutional change, informed by BBC practitioners and community consumers, can shift the culture around credit to one of opportunity and credit building.

Other institutions also have an important role to play in creating a credit building culture in Boston. Integrating credit building into the systems and institutions that community members interact with in their daily lives is a

powerful tool. Including financial literacy and specific education around credit in the school systems will introduce youth to credit building concepts and tools before they are targeted by predatory practices, preventing the negative consequences of low credit scores and high debt. Community colleges can work with students to assess student and personal loan opportunities available to them as they work towards achieving higher education. Employers can provide credit building counseling, workshops, and other services to encourage low-wage workers to engage with these resources and achieve financial wellbeing. Non-profit organizations where community members access myriad resources that add credit building to their available services can provide access to wide range of Bostonians.

“Credit needs to be part of every conversation that people are having about social justice”

– Community Partner

Community

At the community level, a credit building culture is one where, truly, we’re all in it together. It is a culture in which credit is “part of people’s vocabulary.” Bringing public attention to narratives where credit is seen as a positive tool, and not something to fear, leads to this shift. Having public figures - including athletes and spiritual leaders alongside politicians and non-profit directors - publicly talking about the benefits of credit instills the value of credit in the community.

BBC recognizes that there are also many other structural and levers that can impact the economic resiliency of Bostonians such as access to affordable housing, higher education, and quality jobs. These issues are inextricably intertwined with credit, and moving forward, BBC will continue to work

with community-based organizations and a broader range of stakeholders to identify how credit building aligns with and can inform a broader set of policy priorities to improve economic prosperity and equity in Boston.

“Even the name [of this initiative matters], it’s not you can build credit, but Boston builds credit, together”

– Leadership Partner

Appendix A. Evaluation Questions and Methods

Researchers from the Institute on Assets and Social Policy (IASP) at Brandeis University partnered with the BBC leadership team to conduct a developmental process evaluation of the first year of the BBC initiative. The primary goals of this evaluation were to capture a description of the full initiative as it took shape in Year 1, identify components that were successful and challenges that arose during this time, and to make recommendations both for scaling BBC to reach 25,000 Bostonians by 2025 and for potential replication in other cities nationwide. This evaluation seeks to answer the following questions: how did Boston set out to achieve the goals of the BBC initiative; what makes it work; and how can it build off existing strengths to grow into the opportunities of scale and replication in the future? In addition, the research team paid close attention to the adaptive decisions made by BBC leadership, particularly when situations arose that encouraged the team to pivot, adjust, or realign their original program model to achieve greater impact.

Developmental evaluations are rooted in relationships and a shared commitment—on the part of researchers and program partners—to collect and analyze real-time data in ways that lead to informed decision making as part of the design, development, and implementation process^{vii}. IASP and BBC established an ongoing relationship through monthly meetings and a series of feedback mechanisms (including producing interim memos and facilitating targeted conversations around emerging themes) to engage with evidence, partner input, and recommendations throughout the evaluation process as lessons emerged. This developmental evaluation process enabled IASP to conduct a rigorous process evaluation while accompanying and shaping the development of the first year of the initiative.

IASP researchers collected the primary data for this report by conducting interviews with key partners

Figure 4. Data Collection



between January and June of 2019 and focused on activities and processes that took place during the 2018 calendar year. These data were augmented by additional research activities conducted in 2018 for the Roxbury place-based pilot evaluation, including participant observation, focus groups with community partners and participants, document review, key informant interviews, process evaluation interviews with leadership team members, and reflective discussions with the BBC leadership.

Through thematic content analysis of the data, within historical and evidence-based perspectives, the research team’s analysis reveals BBC’s successes and challenges. In addition, insights from BBC partners inform program improvement, sustainability, and scale. In this report, quotes and other forms of data are provided to illustrate key themes that emerged from this evaluation.

List of organizations interviewed for key informant interviews

National Organizations

Citi Community Development:	Robert Burns, Senior VP of Community Development
Consumer Financial Protections Bureau:	Daniel Dodd-Ramirez, Assistant Director of Community Affairs
Equifax:	David Stiffler, VP of Global Corporate Responsibility
TransUnion:	Sara Mee, Senior Director of Corporate Communications Samantha Nierman, Manager of Corporate Communications
Credit Builder’s Alliance:	Talia Kahn-Kravis, Manager of Program Innovations
Working Credit NFP:	Ricki Granetz Lowitz, Co-founder and CEO Kristin Schell, Director of Programs

Leadership Team Organizations:

City of Boston:	Danny Green, Deputy Chief of Policy Constance Martin, Deputy Director of OFE*
Local Initiatives Support Corporations (LISC Boston):	Laura D’Alessandro, Senior Program Officer Emily Jones, Green Retrofit Initiative Program Officer Karleen Porcena, Economic Opportunity Program Officer*
United Way of Mass Bay & Merrimack Valley:	Michael Durkin, President & CEO Gail Sokoloff, VP of Strategic Partnerships & Foundations* Allison Kroner, Director of Boston Builds Credit* Keri-Nicole Dillman, Senior Evaluation and Learning Consultant*

*Individual members of the BBC Initiative leadership team

Local Organizations

Boston Medical Center:	Laura Cocca, Benefits and Wellbeing Analyst Kerry Ryan, Benefits Analyst
Inquilinos Boricuas en Acción (IBA):	Jeff Paddock, Financial Empowerment Coordinator
Jamaica Plain Neighborhood Development Center (JPNDC):	Paola Liendo, Senior Financial Coach
Jewish Vocational Service:	Jason Pollens, Financial Opportunity Center Manager
Nuestra Comunidad Development Corporation:	Andora Monteiro, Housing Counselor and Educator
Roxbury Office of Financial Empowerment (OFE):	Alan Gentle, Manager

Appendix B. Boston Builds Credit Partnering Organizations

Funders

Bank of America
 Capital One
 Citi Community Development
 Citizens Bank
 Equifax
 Jonathan and Patricia Kraft
 Robert K. Kraft
 Santander
 TransUnion
 Wells Fargo

Program and Organizational Partners

Action for Boston Community Development (ABCD)
 Asian American Civic Association
 Asian Community Development Corporation
 Boston Centers for Youth and Families
 Believe in Success
 Boston Emergency Medical Services
 Boston Home Center
 Boston Medical Center
 Boston Tax Help Coalition
 Boston Ujima Project
 Building Pathways
 Casa Myrna Vasquez
 Central Boston Elder Services
 City Academy
 City of Boston
 Codman Square Neighborhood Development Corporation

College Bound Dorchester
 Community Work Services
 Credit Builder's Alliance
 Dudley Street Neighborhood Initiative
 Economic Mobility Lab
 Economic Mobility Pathways (EMPath)
 Heading Home Boston
 Inquillinos Boricuas en Acción (IBA)
 Jamaica Plain Neighborhood Development Corporation
 Jewish Vocational Service (JVS)
 Local Initiatives Support Corporations (LISC Boston)
 Madison Park Development Corporation
 Metropolitan Housing Boston
 New England Center for Arts and Technology (NECAT)
 Neighborhood of Affordable Housing
 Nuestra Comunidad
 Project Hope
 Roxbury Center for Financial Empowerment
 South End Community Health Center
 SPARK Boston
 Sportsmen's Tennis Club
 United South End Settlements
 United Way of Mass Bay & Merrimack Valley
 Urban Edge
 Working Credit NFP
 X-Cel Education

Endnotes

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- v. Ana Patricia Muñoz, Marlene Kim, Mariko Chang, Regine O. Jackson, Darrick Hamilton, and William A. Darity Jr. (2015). *The Color of Wealth in Boston*. Federal Reserve Bank of Boston
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