Rachael DeLeon:

00:11

Hey Brandy, how's it going? It's going well, Rachael. How well for you? Yeah, it's great. Um, this is one of my favorite times of the week where I get to see you and we get to chat with somebody new. Um, today's guest is Holly Zugay. Holly is a financial educator, writer, and presenter specializing in community-based financial education for adults. She's worked with nonprofit organizations and government agencies at the national, state, and local levels to develop, deliver, and expand financial education programs. Her work is focused on at-risk populations, including low-income families and subsidized housing, homeowners facing foreclosure, veterans transitioning from homelessness, and incarcerated individuals preparing for re-entry into their communities. As the senior financial education officer with the Pennsylvania Housing Finance Agency, Holly leads financial education initiatives and training across the organization. She has also designed the organization's flagship financial education program, Building Your Financial House. Holly holds a bachelor's degree in chemistry from the University of Wisconsin and is both a CFP and an AFC. She co-authored the award-winning financial education program, Right on the Money, Talking Dollars and Cents with Parents and Kids, and was the recipient of the AFCPE's 2018 Mary Ellen Edmondson Financial Educator of the Year Award. Her work has been recognized by the National Council of State Housing Agencies and the National Association of Housing and Redevelopment officials. Holly has been busy. Fun fact about Holly: she's obsessed with collecting seeds for next year's garden. Welcome, Holly.

Dr. Brandy Baxter:

02:12

No, thank you. You know, Holly, Rachael talked about you having a green thumb, but you also have a very interesting career path from chemistry to CFP. Like, what inspired that transition for you? How did you end up in financial education? Oh my god, it's a long story.

Holly Zugay:

02:32

But um, many years ago, I'm I'm afraid to say 35 years ago. Oh my gosh, that's terrible. 35 years ago, um, I met a uh financial planner. He was a CFP um and a CPA, which doesn't really matter, but and he was, you know, doing financial planning. And just the conversation with him, I got so interested in, you know, money management and financial planning. Um, that that I just always in the back of my head, fast forward, I got fired from my job in the chemical industry and decided to go into financial services. So one door closes and a window opens. And I loved it. I loved doing the financial plans. I loved kind of digging deeply into somebody's, you know, financial picture and you know, providing some information about how they can improve their situation. Unfortunately, I wasn't very good at sales. So you have to, you know, sell financial products. And I always, I always thought it was kind of difficult to put people in a product that may not necessarily something that they needed, but I would do that, or you know, I had to do that in order to get paid. So I had that conflict within my uh, you know, within my head. And um, then I stayed home for 10 years and I had a child, and then I decided to go back into the financial world, but in the nonprofit world. So I was in uh home buyer education, and then I got my CFP and sort of the rest is history, if you will.

Rachael DeLeon:

04:06

I love it. And Holly, you've worked with a lot of different types of communities across your career, every one from families facing foreclosure to veterans transitioning from homeless, homelessness, incarcerated individuals. Um, across these diverse populations, have you seen universal barriers to that people face when they're um trying to reach financial well-being?

Holly Zugay:

04:33

Yeah, I think one of the most common things is sort of the embarrassment, um, the shame behind, you know, being in a situation, a financial situation that's, you know, not positive. Um, there's also some skepticism about financial education. It sounds really fancy. And a lot of people don't have a very good um history with school, if you will. It makes them feel uncomfortable. So that that's part of the the hurdle. Um, and and I think just trying to work with with you know, kind of those, you know, those hurdles are the same. And I think the lack of confidence too. It's wow, I'm in this situation. I don't want to be in this situation, but I don't know how to get out. So I think those are the those are the main things that are that are common.

Dr. Brandy Baxter:

05:20

You know, Holly, I had the privilege of serving with you on the board and getting to know you. And I know that you have keen insights when working with organizations as well as participants in financial uh education. But what do you think that stigma is all about? Why do you think it still exists? You know, we as a profession, we've done a lot of work to try and make it more accessible to more people, but yet it feels like there's still a stigma. What do you think we can do to help continue breaking that down?

Holly Zugay:

05:52

Well, I think it's really getting someone that has a positive experience with the financial education to spread the word. Um, you know, with the populations that that I work with, um, you know, again, it's it's difficult to over overcome some of these, you know, why am I going to financial education? It's going to be boring. Um, again, the the embarrassment and things like that. But, you know, what's in it for me? I'm just going to be, you know, sitting in a class for two hours and, you know, very unsure of it. So I think um what I've seen with in in my own work is that if you design financial education that is um, you know, uh participant-centric and really engaging and you know, having activities and really kind of making it fun. I know it sounds uh kind of counterintuitive, but it really can be fun. And also I think part of it is when you as a facilitator are in front of your audience, it's not about you, it's about the audience. So it doesn't matter, you know, who I am, my experience, you know, my education, whatever, it's about the participants. And there's a lot of, I think over the years there's been a lot of work in understanding the audience. So, and being really attuned when you hear things in the audience. And even though you haven't, you're maybe haven't experienced the same things, it's just, you know, paying attention to the surrounding, paying attention to what's being said. You know, again, it's not about you as the facilitator, it's all about the audience and it's all about connecting with that audience.

Rachael DeLeon:

07:33

Holly, those are such good points. And you often hear, especially newer financial counselors, as they're navigating, working with different demographics, you know, it it's sometimes difficult to know how to put yourself in that space. And I think some of those things that you called out, the listening, watching body language, and just being open to their experiences are so key. Um, and you do a really good job too of articulating, you know, how do we make it client-centered? So it's about the person in the room. The activities are about things that are important to them. And I think that's where that magic happens, where people start to see financial education not as this buzzword or this thing I have to do, but something really meaningful for their own lives. And that's where you get that aha moment. Throughout your career, you've worked with a lot of different kinds of individuals that and focus on a lot of different complex topics, you know, different audiences. What have some of those experiences taught you about building trust with the people you're working with before teaching those financial concepts?

Holly Zugay:

08:42

So it's interesting. One of the first exercises that I do with the groups that I begin to work with is a very simple question. What is the best $50 you ever spent? And what is the worst $50 you've ever spent? And this is this is where I want to say that what there, this is where I want to say that we really get on the level playing field because I share some of my good money choices. For example, my second marriage license. And then I choose some of my not so good money choices, like my first marriage license. I really try to have the environment being open, you know, it's a judgment-free zone. And people are really very honest about their responses. Of course, they're anonymous. And we all have a pretty good laugh about it. But the seriousness is, again, we all have good money choices and we all have not so good money choices. And after that, I take those pieces of paper and I put a little collage together that says our good money choices in the highlight. And then in the shadows, we have our not so good money choices. So they are reminded, you know, every time they come back to a session, they're reminded of, hey, we can do this. So I think that's very, very important in establishing that trust. The next thing that I want to highlight that we do in the program is talking about an individual's personal assets. So we're talking about your education, your skills and your talents, your personality, also your connections and that human capital factor. So we're looking at, you know, putting the value on the participants, you know, and having them identify their own value. And that really, again, makes a different environment for, hey, I have, I have these, these skills and these talents. And although my W-2 says one thing, I have value as a person. And I think those two activities, in my experience, have really been um key to establishing that trust.

Dr. Brandy Baxter:

10:55

I love all of that. And Holly, as you're talking, I'm thinking about as a financial professional, the way we communicate with our attendees, our audience, our clients. And what I'm hearing is we really need to think about how do we create that safe space so that people can have these conversations about their money. So, what are some ways that we might unintentionally create a barrier for the people we're actually trying to serve in how we communicate?

Holly Zugay:

11:27

I think part of it is not being honest. I think if if as a facilitator or as a counselor or um you know, a planner, whatever, if if we are kind of sitting in that ivory tower and you know, have an air that that we know everything and that we're not human, I think that people really tune out on that. They know if somebody is trustworthy. You know, if you're going into um, you know, for example, if I'm going into a a program with uh self-sufficiency clients, um, and they're coming in casual clothes, you know, they most of them are, you know, coming with their, you know, kids and and you know, this is a relaxation, supposed to be relaxing. Um, sorry. You know, they're coming very casual. And if I am walking into the room and if I am not dressed like they are, if I'm dressed up, you know, that that's a big thing. It's just, am I approachable? And if I'm coming in and, you know, I'm in a dress and heels, people are not gonna going to trust what I have to say because they are going to assume that I don't know, you know, that I don't have empathy or understanding for where they are.

Rachael DeLeon:

12:45

That's a really great point. So much about counseling and the work that we do. It, you know, there's that verbal and there's that nonverbal too, and and being aware of those surroundings and understanding those things is so critical. Um, Holly, you are the creator of your organization's flagship financial education program, building your financial house. Um, can you tell us a little bit about that program and what are the key ingredients that you would say uh that go into making an effective financial education program?

Holly Zugay:

13:19

Yeah, so great question. I appreciate you asking. So we designed the program. This has been, oh my gosh, 13 years now, um, as a way to assist our multifamily tenants in increasing their financial wellness and their ability to pay their rent. So that's how this kind of all started, that we really wanted to help those clients. And at the time, there was a you know big push for the Flex, the Financial Literacy and Education Commission's core competencies for financial capability. And in looking at all of the available uh programs out there, I didn't find anything that really addressed everything. In addition to that, we also didn't want to shy away from topics. I think when people think about financial education, it's budgeting and credit. Well, there's so much more to your financial wellness than just budgeting and credit. So I wanted to experiment with really going, doing a deep dive into different topics. So um, as I mentioned, we start out with the the curriculum, invest in yourself. And it's understanding, you know, that we're again that level playing field, that we are, we have value, even though we may, you know, it may not be reflected on our W-2s. It's talking about setting goals and really understanding, you know, where you come from and where you want to go. Um, but also we have this exercise where if you don't want to do the steps it takes to get to that destination, so to speak, it's okay. It just means that's not really where you want to be. And that's okay. So think about something else. Um, we also dive that the next thing is we dive deeply into maximizing your earnings. So employee benefits, the taxability of employee benefits, how using pre-tax benefits actually can benefit in at tax time with an increase in your earned income tax credit or increase in the additional child tax credit. So, and also with selecting a job. It's not just about that wages, it's about all of these other things, you know, the of course the benefits, but also, you know, what's your wardrobe? What's it going to do to your childcare? What's the transportation? It's again really opening up, you know, the complete job offer to see if it's right. The third thing we talk about is that budgeting piece, the we call it spend sensibly and map your money. That's all it is, really. Um, we talk about banking products and and you know how useful they are, staying away from the predatory, you know, financial services and going to mainstream banking. Then we talk about taxes. We go through the progressive tax system, we go through a tax form, a 1040. We dissect each part of, I know it sounds really boring, doesn't it? We go through each section so that our our participants can understand that the 1040 is sort of the year-end resolution, so to speak, where where you have, you know, what's the income that you've had during the year, what's being withheld or you've paid through the year, and what's the final tab or final bill. We talk about saving investing, stocks, bonds, mutual funds, time value of money, um, and and what to do with your tax refund as well. You know it's you know, you're if that's an opportunity for the the teachable moment to save part of that or invest part of it. Um, that's that's what we focus on. The the next thing we talk about is protecting your potential. So it's all about understanding your risks. And certainly with our audience, there are a lot of risks. What are those decisions that you have to have to make? And is there going to be a financial consequence to that? I'll give you one example. Um, we do have a case study in our program, and and she gets the point where she's a single mom, but the her baby's father comes back in the picture, wants to get back together. She wants to quit her job and and start a business, she wants to buy a house and have her mom move in because her mom's never lived in a in a single family home before. So these don't all necessarily look like financial decisions, but they can have a big impact on financial well-being. So we, you know, again, analyze those risks. Um, and we all make emotional decisions, which maybe we should have looked at at them with, you know, there are our financial glasses on. Um, and I'm being a smart consumer, you know, who doesn't want consumer protection? Nobody wants to be taken advantage of. We also talk about making your final arrangements. The last thing we talk about, and this is sequential, is uh credit and debt. And the reason why we're very deliberate in how the curriculum is presented, because we want people to know everything about their money before they use other people's money. One last thing I'm gonna say about the curriculum is we're very uh deliberate in the timing too. We start the program in September. We meet once a month. We only tackle one topic a month because we want the participants to really be able to absorb that material and apply it to their situation. So September is back to school. It's all about, you know, um, you know, increasing your own education and do some goal setting. October is maximizing our earnings because that that's typically when open enrollment for employee benefits uh happens in many companies. In November, we talk about spending sensibly because what happens in December? We tend to overspend on the holidays and we want to kind of circumvent that that process. We don't meet in December because of the holidays, but January we're right back at it with check your taxes and we encourage um our participants to uh to visit a volunteer income tax assistance site for free tax preparation. Then in uh February we talk about saving and investing. Because again, what are you doing with that tax refund? Uh March is uh our protect your potential because everyone knows it's uh

National Consumer Financial Protection Week. Okay, maybe they don't, but um just trying to correlate something there. They know now. That you know now. And and then in uh April, we do credit and debt last again, just to make we want people to hang on for the most popular topic.

Rachael DeLeon:

19:28

I'm curious when you built it, what were some of those key ingredients that you put in there when you think of building a financial education program like yours that might be over nine months, or you know, potentially you only get to meet with a client for, you know, or a group for a week or a month. What are some key things you would say to our listeners that you always want to include in a program like the one you built?

Holly Zugay:

19:54

Well, and for me, it really was that long-term relationship. I'm not sure if, you know, a two-hour class, uh a standalone two-hour class or a four-hour class is really that effective. Um, again, because we want the participants to, you know, absorb themselves in that. Um, I think it's just not being afraid of addressing a topic. And uh what's interesting, a sidebar story, is when we did our first pilot program uh with uh individuals that were coming out of homelessness and they were living in single-room occupancy uh buildings. Okay, so we talk started talking about stocks and bonds, and that was the most popular topic. They were so excited about it because no one's ever just sat down and talked about what a stock was or what a bond was and explain it in that common language. Um, so not being afraid of topics, um, making sure that you're doing the data collection, that you are understanding your audience by doing those baseline, uh, you know, baseline surveys of their financial condition, um, and and doing those the activities are so important. I know myself, I don't want to sit in a class for two hours and just listen to someone, even how you know compelling they are. I want to do something. I want to, you know, have some fun with it. And and that was a really big focus is having that fun and and you know, being a little silly and and you know, having a good time with it.

Dr. Brandy Baxter:

21:20

So I appreciate that you shared the the schedule, you shared the key ingredients. So now, Holly, I'm thinking, how do we measure success? So you've got participants, they're going through the nine months. How are you all measuring the success?

Holly Zugay:

21:36

Well, one of the things that we don't want to do was have these abstract measures of, you know, how much money someone has saved or, you know, in increase in their credit score. I felt that that was just, you know, if somebody saves $1,000, it might be a really big deal to somebody and it might not be a big deal to somebody else. So we wanted to focus more on the behaviors that were changed. What actions Have they taken? So we have prescribed actions with each one of our modules. For example, the first one is did you update your resume? Did you share a new skill? Or, you know, did you check your employee benefits? Or, you know, something like, are you using a new employee benefit? So it's really what changes have you made as a result of that? We also measure the change in their perspective about money. So we ask them in the beginning, what are your feelings and emotions about money? What knowledge and experience do you have with money? What are your roadblocks to, you know, moving ahead? And then, you know, what motivated you to sign up for the program? And then what did you hope, you know, what do you hope to get out of the program? And then we take those answers, and then at the last celebration class that we have, we bring those back and say, how has this changed? So it's pretty compelling to see. And again, this is the benefit of doing something over nine months, where you can really see those changes.

Rachael DeLeon:

23:01

Absolutely. And I like the focus on change. I think there's this misconception when you're meeting with a financial educator or financial counselor that you are taking something away. Like, what are you going to have to remove to have a better budget? But you're really focused on these the changes that are happening into someone going through that to be able to look back over the last nine months and seeing those incremental changes can be really powerful.

Holly Zugay:

23:28

I just I think I have the best job because I can see how people change. And it's, you know, they they've taken it upon themselves to do that change. It's not something that I've said or, you know, it's just they they feel they're reaching into their empowerment to do that.

Rachael DeLeon:

23:45

As you look ahead to the next five to 10 years, what would you say is the biggest opportunity for financial education professionals to better serve their communities?

Holly Zugay:

23:55

The biggest opportunity is really the ability for us to get to know our audiences. For example, if you are working with low to moderate income families, there are poverty simulations that a lot of community action agencies sponsor. Going through that is very powerful. The first one I went through was okay many years ago, but it really gave me a perspective of why, just for example, why does somebody turn to crime? Because they need to, you know, feed their children. And, you know, navigating the system is very difficult. Um, you know, so it's it's a very powerful experience. Um, any kind of simulation that we also have re-entry simulations for uh people who are coming away from incarcerations. So we do have that opportunity to get to know our audience and have some experience walking in their shoes.

Dr. Brandy Baxter:

24:51

You share a lot of great tips with our audience today. And one of the things Rachel and I like to do is kind of close each segment with like a final thought. So if you could give like a closing comment for those that are listening, what would you really want them to take away from this interview with you today?

Holly Zugay:

25:08

I think there's a lot of validity in the phrase slow and steady wins the race. It may not always be a straight line, but you can always move forward and and where the wind blows, that's where you're supposed to be.

Dr. Brandy Baxter:

25:22

Excellent. Thank you so much, Holly.

Holly Zugay:

25:24

Thanks for having me. You can connect with me through LinkedIn. I have a profile on LinkedIn, or you can email me directly at hzugay@phfa.org.

Dr. Brandy Baxter:

25:35

Rachael, I'm sure our listeners are probably tired of hearing me say this, but I always enjoy talking with financial professionals who really get what we do and the heart behind why we serve our communities. And I think this conversation with Holly was just a really good example of reminding us why it's important to pause and get to know the people we are trying to serve. I think my favorite comment from her was when she said, we don't need to show up like we're in this ivory tower and that we're the know-it-all, but really helping our clients feel comfortable by dressing the way they dress a little bit, you know, and and not being so sitting in the seat of the expert, but really kind of coming alongside them. And when she closed with talking about those community action simulations, I've participated in a few of them. And oh my goodness gracious, I can really see why that's a great recommendation from her.

Rachael DeLeon:

26:35

Yeah, I couldn't agree more. I Holly, I think the other thing that really resonated with me is just the ability to be vulnerable with our clients. You know, the the session is about them and it's not about us as financial professionals. But when you open a session and you're talking about openly about the mistakes that you've made alongside the mistakes they've had or the best decisions or the worst decisions. And your best decision may be someone's worst decision and vice versa. But to be so open about that is really it goes a long way to breaking down those barriers. So um I think this is a great episode. I hope people got a lot of tips today, even about starting their own financial education programs. I think Holly really sharing about what she's built. You know, I think it starts to get the wheels turning for what other people are building. And I think that is the beauty of our community is when we share these ideas, we help others have the same impact in their communities that we're making in ours. And so, you know, I it gets me thinking about as we look ahead, uh, a symposium and some of the things that are coming down the pike. Um, and just the opportunity once again to go beyond these conversations because we're really lucky we get to have them every other week. And our listeners are lucky to be able to glean these insights. But when we can meet people in person and really ask those questions, it's pretty powerful.

Dr. Brandy Baxter:

28:04

Yeah, you were right. The part about Holly sharing about her education program, my will started turning with all the ideas. So I'm definitely looking forward to connecting with her and learning more. And to those listening, if you want to connect with Holly or any of our guests, we encourage you to like and subscribe to our channel so that you'll never miss one of our fantastic conversations and stay connected to what we have coming up soon.

Rachael DeLeon:

28:28

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