This is the worst economic downturn most wage-earners have ever seen in their lifetimes. While previous generations dealt with one or two recession factors — such as job loss, credit crisis, a stock market crash, or declining home values — the workforce currently is contending with all four at the same time. Many Americans are struggling to cope with too much, too fast.

Traditional financial education models, including NEFE’s, just aren’t nimble enough to help a nation assaulted by this new so-called “Great Recession.” An innovative approach is needed.
NEFE Responds to the Economic Crisis
continued from page 1

“Think about this economic crisis like a fire. There is a big difference between checking the batteries in your smoke detectors every six months, and actually trying to deal with a house on fire,” says Ted Beck, president and CEO of NEFE. “That’s what’s happening in the country right now. And NEFE is responding by stepping into more of an action role.”

In April, NEFE launched its crisis response, Economic Survival Tips: What to Do Now. The first phase of this project comprises Web-based information and strategies for dealing with key financial concerns: protecting the roof over your head (housing and mortgage), protecting the money in your pocket (daily spending decisions), protecting your income (job loss, cutbacks and employment changes), and managing credit and debt. NEFE features the Tips on its widely-used Smart About Money Web site.

“We took a critical look at our traditional financial education in light of what people need to know right now to cope with the economic crisis,” Beck says. “We had to rethink the strategies that work well when the economy is stable. For example, we are strong believers in carrying minimal debt and saving for retirement. However, when you’re about to lose your job, diverting extra debt payments to pay the rent and feed your family is a prudent choice.”

The Economic Survival Tips also address the unique mindsets that emerge during crisis. Users can enter the Web site through four personas that reflect widespread attitudes and experiences:

- **In financial trouble**, including “I am out of work and panicked,” and “I can’t pay my mortgage and I’m scared.”
- **Facing tough times**, including “I’m one paycheck away from financial disaster, but I’m still spending.”
- **Scared about the economy**, including “I still have a job, but I’m worried,” and “Should I still contribute to my 401(k)?”
- **Getting back on track**, including “What should I do now that I have a job again?”

“It’s not a site where you would find a general financial tip about saving money. At this time, people need to figure out what to do if they’re at risk of defaulting on their mortgage or have debt collectors breathing down their necks,” says Brent A. Neiser, CFP®, director of NEFE’s Strategic Programs and Alliances department, which led the content development.

Although the first phase of the Economic Survival Tips is designed for consumers, Beck emphasizes the importance of adapting the tips for usage by trusted intermediaries who help Americans with their financial activities. “We know through NEFE field research that many Americans rely on social workers and community-based organizations to provide financial education. We will develop a framework for the tips so they are specifically useful for social services professionals helping the vast number of Americans who don’t use the Internet for financial education.”

Beck notes, “This economic crisis is the ultimate teachable moment for financial educators. After immediate financial concerns are addressed, people hopefully will be interested in improving their long-term financial behaviors in order to weather future downturns with a higher degree of financial stability.”

In the coming months, the Economic Survival Tips site also will map out core financial issues: saving for retirement, maintaining health insurance, managing debt, and using a budget to reach financial goals. The content will complement the Life Events section and related material on SmartAboutMoney.org.

“The Economic Survival Tips address the core of NEFE’s mission — educating people about saving, income, employment, housing, mortgages, credit, and debt — but presenting that information through the prism of the current financial crisis,” says Neiser.
Paul Golden enjoys advancing NEFE’s mission through his work with media throughout the United States. For the past few years he has managed NEFE’s media relations and secured coverage from many top-tier outlets, including the Associated Press, Washington Post, USA Today, Los Angeles Times, FOX Business News, National Public Radio, and U.S. News and World Report.

Prior to joining NEFE in 2005, he worked as a managing editor for an online news service and spent time working in the financial services industry. Golden graduated with a Bachelor of Arts degree in Journalism, with an emphasis in broadcast media, from the University of Northern Colorado.

Paul, if you were to describe your job to a fifth grader, what would you say?

Paul: I bring awareness to NEFE by reaching the American people through what they read in newspapers and magazines and watch on television by working directly with reporters.

What has been an accomplishment you’re most proud of from your time at NEFE?

Paul: When I first came on, NEFE’s work with the media was very reactive. We would send out press releases on our research and distribute feature articles to reporters, and we’d get nice coverage. But since then, we’ve learned that media is an important conduit to get financial education information out to the American public. It’s been great to see that transformation and witness the impact of that evolution.

I’m also very proud of the success we have had among top-tier media. Seeing a placement come to fruition that puts the spotlight on NEFE’s work is very exciting.

What would you say you would most like to achieve while at NEFE?

Paul: I would love to see NEFE become more of a household name and the central figure in the arena of financial education. Right now people are very much in need of resources that can help them better manage their money and NEFE is well-positioned to provide that to them.

What personally drove you toward financial education nonprofit work?

Paul: I actually never saw myself in nonprofit work. My background led me to NEFE. When I worked in the financial services field, I used every opportunity with a customer to show them how to use their money responsibly. It was a natural fit for me to transition to a place where I could work on educating people as the primary goal.

Can you describe one special memory that you have from your work with NEFE?

Paul: One thing that naturally comes to mind are NEFE’s Who We Serve* tours. Getting out of the office and directly talking with those we’re looking to help is an amazing experience. No other organization I know of makes that a priority. It’s an opportunity to learn that bad things happen to good people. That reinforces the importance of NEFE’s mission and keeps me motivated to help people achieve their financial security.

*Who We Serve tours consisted of field research with the people NEFE serves or strives to serve.

NEFE recently launched a Web site to help people in or near retirement figure out how to spend down their retirement income. Decumulation.org covers eight important decision areas related to retirement income decumulation, including debt, fraud, home and mortgage, insurance, pensions, retirement plans, Social Security, and work.

Decumulation.org resulted from NEFE’s Retirement Income Decumulation Think Tank, which focused on the more than half of American households whose combined pre-retirement income is between $30,000 and $100,000. Visit the site at www.Decumulation.org.

NEFE will be closed on May 25 for Memorial Day.
Get Out There and Help

Over the years, we’ve received requests from people nationwide who would like to volunteer for NEFE. However, NEFE is not a volunteer-based organization and instead works on creating relevant content for others to use. Still, now is a time of great need (and interest) for financial education so we’ve compiled a list of ways people can help.

I’m a: How you can help:

Teacher
- Use the NEFE High School Financial Planning Program® (HSFPP) with your students. Check it out at http://hsfpp.nefe.org.

College Administrator, Professor, or Instructor
- Sign up for CashCourse at www.CashCourse.org.
- Already have CashCourse? Hold a CashCourse workshop for students or promote CashCourse to students.
- Ask other departments to post your CashCourse link on their sites.

High School or College Instructor
- Spice up your financial education curriculum with Spendster.org. For ideas on how to use it in the classroom, check out www.nefe.org/Spendster.

Social Services Counselor
- Pass on, print, or set the homepage on your client-use computers to NEFE’s Economic Survival Tips at www.SmartAboutMoney.org/SurvivalTips.

Web Guru or Webmaster
- Link to NEFE resources that would be useful to your visitors.
- Show off Spendster on your social networks: Grab the Spendster video application or badge widget from the site.
- Social bookmark the Economic Survival Tips for others to find and use.
- Share pages from SmartAboutMoney.org and Decumulation.org with your family and friends.

Someone Else
- Encourage your alma mater to sign up for CashCourse and promote it to their students.
- Looking to volunteer in person? We’ve developed materials with several organizations including Habitat for Humanity, Dress for Success, American Cancer Society, and Boy and Girl Scouts among others. Contact your local chapters to see if you can help.

The mission of the National Endowment for Financial Education is to help Americans acquire the knowledge and skills necessary to take control of their financial destiny.