

# CREDIT UNION TIMES

Weekly Independent Report On Credit Unions

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## Financial Finesse's Unbiased Approach to Financial Literacy a Hit with Credit Unions

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MANHATTAN BEACH, Calif. — Education has made all the difference to Financial Finesse CEO Liz Davidson.

“I was working at an investment firm running a hedge fund and in the process started to do workshops to bring in new clients and I just fell in love with education,” said Davidson. “I realized that my heart was with the financial education effort and if I wanted to make it all about what consumers need to achieve their goals then it had to be something separate.”

The result was the founding of Financial Finesse in 1999 to provide unbiased financial education to employees and members.

“We initially went into the corporate market positioning it as a great way to reach and help a lot of employees,” said Davidson. “About two years ago we branched out into the credit union market to see if they would respond to our services and the response has been incredible.”

The company has grown from Davidson and two interns to 17 employees. With an eye on expertise, every staffer is required to have a B.A. or B. S. Degree, at least five years of practical experience, and a current Certified Financial Planner designation. In addition, to ensure 100% unbiased perspectives all employees must give up all existing clients and their planning practice.

So far some 45 credit unions have already signed up and Davidson credits this to the movement's unique perspective of genuine concern for members and dedication to promoting financial literacy.

“There is a tremendous interest in financial education—consumers want the information but they want it from a source they can trust that doesn't have a vested interest in sharing the information,” said Davidson. “If they don't trust the source then the valuable information provided is compromised.”

Positioning itself as “screening out all the noise, confusion, and sales pitches and providing the truth—unbiased financial information” services range from workshops and personal financial counseling to providing online educational content and unlimited member access to financial planners. Online content is maintained on the Financial Finesse database to ensure clients are constantly providing accurate fresh materials on their Web sites.

“At the end of the day we are consultants, every credit union is different as are their needs,” said Davidson. “So if it is more important to recruit new members or build loyalty among current members, then together we come up with a customized member education program or action plan built around their needs five years out to help achieve those goals.”

Davidson says so far the credit union trend has been to provide significantly more workshops, up to 60 plus, on an annual basis at both branches and at SEGs.

“What we're hearing is it is a way to really differentiate themselves from the competition—members probably wouldn't get this kind of support or counseling from a bank” said Davidson. “Overall the member response has been excellent and they are actually using it so it can be a real value add while the credit union also has the opportunity to really help members change their financial lives.”

Financial Finesse also provides marketing support and tracks all services. Clients are provided monthly reports, which track everything from workshop attendance and popular topics to Web site clicks on educational information. Marketing support is customized to the credit union and can range from providing brochures and updated online content to developing newsletters and promoting the member education programs.

“More and more credit unions are viewing us as an outsourced member education department or support for their existing education department,” said Davidson. “Marketing and tracking are vital components, but we also focus on educating the employees so they can not only talk to members about the programs but they become evangelists and talk about how it impacted their lives.”

Looking ahead, Davidson says in addition to adding more educational topics there are plans to provide Spanish content by the end of the first quarter of 2006. In addition, the company is working on taking its online environment to the next level—more interactive including resources such as worksheets and calculators and developing more self-guided tutorials.

“I love that every day is unpredictable and that we get to help change people’s financial lives for the better,” said Davidson.

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