

Focusing on low-income financial well-being as a growth strategy

The National Credit Union Foundation has partnered with Astera Credit Union to share how they placed financial well-being for low-income members at the heart of their strategy—and grew as a result.

1 Selling the board on the concept

An intentional shift away from your credit union's traditional growth strategies may seem like a risky proposition, but there were a number of reasons the board was quick to buy in.

1. It opened up “blue ocean” for Astera
2. They'd be serving an established market
3. The possibility of getting CDFI certification
4. The prospect of creating members for life



With our new value proposition, we were no longer competing with other financial institutions. We could focus all our energy on serving one population and achieve economies of scale without having to investigate a merger.

Martin Carter
President/CEO, Astera Credit Union

2 Transform staff from order takers to problem solvers

Astera's team had a well-established reputation for delivering whatever members asked for, so it took training to learn how to find the pain point behind a member's ask and, more importantly, the root cause of the issue.

Now the credit union's service goal is to understand members well enough that they can provide products, services and resources that *prevent* a problem in the first place.

3 Innovate

Financial well-being is virtually impossible without a foundation of financial basics. To help make that happen, Astera created a new program: *EmpowerMe*.

EmpowerMe focuses on four outcomes to help members take the first steps toward financial well-being:

1. Improve credit score by 100 points
2. Get the member into a full-service checking account
3. Give the member access to a line of credit for emergencies
4. Get the member pre-approved for an auto loan

To deliver the program, Astera selected and trained three financial coaches to guide participants through a full-service financial health program. In addition, all branch staff received information about the program, so they'd be able to pinpoint and refer good candidates.

EmpowerMe superstars

In the first 18 months, two *EmpowerMe* participants achieved something far beyond the program's four basic elements: they qualified for a mortgage.



These members have transformed their financial lives through the program. In roughly 18 months, they've gone from having a very low credit score to some level of financial health. It's incredibly rewarding to have had that impact on people's lives and much more than I ever expected from this program.

Martin Carter
President/CEO, Astera Credit Union

4 Evolve

Following the success of *EmpowerMe*, the credit union developed an app version. This web-based application enables registered users to pick and choose their path to financial well-being, connecting them to resources at the credit union and approved partners. The app makes it easier for more members to tap into the benefits of the program and take their first steps toward financial well-being.